Daily Report

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Alia Discusses Food Supplies With Ahmeti

AU2912143991 Tirana ATA in English 0915 GMT 29 Dec 91

[Text] Tirana, December 29 (ATA)—On December 28, the president of the republic, Ramiz Alia, met with the Premier Vilson Ahmeti and some members of the government with whom he discussed problems of the people's supply with food and the measures to cope with this winter. Premier Vilson Ahmeti, the Deputy Premier Abdyl Xhaja, and the Minister of Economy Gjergji Kondo informed of the rhythm of receiving the imports and food aid from abroad since the beginning of December and of the supply reserves over the first three months of the next year.

President Ramiz Alia evaluated the hitherto performance by the government, underscoring that it has considered the ensuring of food of key priority, just as it is envisaged also in its working plan. He said that the energetic performance of the government cherishes the hope for a relative stabilisation of the market for a short period of time.

President Ramiz Alia said likewise that to ensure the food is of primary importance, but to distribute it in a disciplined economic-financial regime, to protect it during transport or in the food depots, to exert a strict control against misuses and smuggling trade is of the same importance.

During the meeting they discussed also the question of ensuring the raw materials needed to put into operation the various industries. The minister of the economy informed also of the work carried out to this end in cooperation with the international organisms.

Food Ministry Reassures People of Wheat Supplies

AU2912201091 Tirana Radio Tirana Network in Albanian 1900 GMT 29 Dec 91

[Undated statement issued by Food Ministry]

[Text] As has been emphasized before, every measure has been taken to ensure the supply of cereals to districts according to their needs, including some of their needs for winter reserves. Wheat is arriving in two ways: by rail from Hungary through the station at Bajze at a rate of 1,000-1,200 tonnes per day, and through the port of Durres at a rate of 1,200-1,500 tonnes per day. These daily quantities meet the needs of both the towns and the countryside for wheat, and maintain a constant reserve for 10-12 days. These daily quantities will continue to arrive regularly.

Although these measures have been taken to guarantee bread, insecurity and fear is still evident in certain cases in some districts. As a result, many delinquent elements, especially drivers involved in the transportation of wheat to the districts, are exploiting the situation and selling wheat to peasants at 3.50 leks a kilogram, compared with the price of 2.10 leks offered by the state enterprises. It has also been noticed that some rural families are hoarding wheat for long periods. Poor storage conditions lead to the wheat's deterioration.

There is no reason for panic under such circumstances, when our needs for wheat are being met and are being watched closely every day, but everybody must carefully store and not misuse supplies. We call on people not to allow these elements to steal and misuse the people's bread, but to denounce them immediately to the state authorities and the forces of order.

All-National Assembly Platform for Reconciliation

AU2712104291 Tirana ATA in English 0859 GMT 27 Dec 91

["Announcement of the Organising Council of the All-National Assembly"—ATA headline]

[Text] Tirana, December 27 (ATA)—The Organising Council of the All-National Assembly of the Republic of Albania convened on December 26. It examined the draft-platform for the assembly for national reconciliation and unity. This meeting decided that this platform be made known to the wide public opinion and be presented to the parties, organisations, religious communities and higher scientific, cultural and educational institutions of the country, so that being acquainted with them, they may offer opinions and suggestions to further fulfill and improve the draft-platform.

Likewise, the council addresses once again to all the various political and religious subjects asking them to be represented in it.

Government Land Commission Issues Communique

AU2812151991 Tirana ATA in English 0922 GMT 28 Dec 91

[Text] Tirana, December 28 (ATA)—The Government Land Commission in the meeting dated December 26, 1991 analysed the work made for the distribution of land and defined a series of tasks for the complete application of the law on land.

The fact that until December 12, 1991, over 310 thousand hectares of land or over 60 per cent of it have been distributed to the peasants on national scale, that over 90 per cent of the villages and in over 1000 of them out of 2570 altogether the application of the Law on Land has completely ended, shows in the best way that the Law on Land issued by the parliament is correct, it protects the interests of the majority of the labouring peasantry.

The Government Land Commission declares once more publicly that it defends completely the Law on Land and is working with the Land Distribution Commission and the organs of power in the districts to distribute the land to the peasant as soon as possible.

The districts of Elbasan, Permet, Lushnja, Berat, Korce and Kavaje are better with regard to the land distribution.

The Land Distribution Commission publicly addresses once more to all the political parties and social political organizations of the country that as it is agreed upon to powerfully back up the Law on Land. Only in this way, it will be made possible that agriculture, as one of the most important and priority branches of the country's development, will make the economy efficient, will guarantee the rapid overcome of the economic crisis.

Bocka Comments on Saudi Arabia Visit, Relations

AU2912144191 Tirana ATA in English 0948 GMT 29 Dec 91

[Text] Tirana, December 29 (ATA)—In the context of his formal and friendly visit to the Kingdom of Saudi Arabia, the Albanian foreign minister, Ilir Bocka, was received and had talks with the Saudi prince, Sa'ud al-Faysal Bin-'Abd-al-'Aziz Al Saud, minister of foreign affairs. During the talks, emphasis was laid on the development of the relations between the two countries in different fields, especially in the economic and trade one. The Prince Sa'ud al-Faysal stated that in these difficult moments, the government of the Saudi Arabian Kingdom is ready to help the friendly Albanian people, whom it is bound with an ancient traditional friendship. To this end they agreed that a working group of experts comes to Albania soon to see on the spot Albania's needs in the economic and humanitarian field.

They likewise exchanged views on the international political situation. During the talks the ministers agreed that diplomatic relations be established between the two countries. The signing of the act will be realised in the course of the near visit to Tirana by Prince Sa'ud al-Faysal, foreign minister of the Kingdom of Saudi Arabia, in reply to the invitation extended to him by the Albanian foreign minister.

Ministry Outlines Measures on Refugee Question

AU2812135091 Tirana ATA in English 0904 GMT 28 Dec 91

[Text] Tirana, December 28 (ATA)—The spokesman of the Ministry of Foreign Affairs of Albania informs that in the course of its activity to draw the attention of the public opinion on the maltreatment by the Greek authorities of the Albanian nationals temporarily residing in Greece, the Ministry of Foreign Affairs of Albania has taken the following diplomatic measures:

The minister of foreign affairs Mr. Ilir Bocka has sent a letter ot the senior UN Commisariat on Refugees in Geneva where after voicing the profound worry of the Albanian authorities for this denigrating campaign on the part of the Greek authorities demands this question be examined by this international organism, sending to this end its representatives in Greece to verify the situation in the spot.

On the same day, the deputy foreign minister Mr. Mehill Marku addressed a letter to the general secretary of the Council of Europe Mrs. Catherine Lalumiere, attracting the attention on the difficult situation created for the Albanian nationals in Greece as a result of the revival of the nationalistic and racist sentiments against the Albanians. He demanded that the Council of Europe should exert its authority to put an end to this situation as soon as possible.

Press Criticizes Treatment of Refugees in Greece

AU2912144091 Tirana ATA in English 0904 GMT 29 Dec 91

[Text] Tirana, December 29 (ATA)—These days, various political parties, through their press organs have published statements where they voice their indignation towards the stand of the Greek Government regarding the operation "The Broom" undertaken against the Albanian refugees working and living in Greece.

The newspaper "ZERI I POPULLIT," in the statement of the spokesman of the SPA [Albanian Socialist Party] stresses among others that the treatment of the Albanian nationals, refugees in Greece, should be considered with tolerance, spirit of understanding, according to the international norms. The Socialist Party of Albania, always interested in friendly relations with the friendly Greece, has the conviction that the Greek Government, the Greek people themselves, PASOK [Panhellenic Socialist Movement] and every other Greek sound political force will influence in these moments too for the stability of the situation, to find out the necessary understanding and to conduct normal relations between our two countries and peoples.

Whereas the newspaper "KOSOVA" in one of its articles underlines that the open discrimination towards the Albanians and the violence against the Albanian refugees (not the minority) does not serve the Greek-Albanian friendship, does not serve the Greek people themselves and above all the Greek minority in Albania.

Defense Ministry Adopts New Structure

AU2812205991 Sofia BTA in English 1930 GMT 28 Dec 91

[Text] Sofia, December 28 (BTA)—The BTA learned from the Defence Ministry Press Centre that prime minister's and defence minister's orders were made public today approving a new structure of the Ministry of Defence and of the General Staff. Three divisions have been established in the Ministry of Defence: legal and administrative, military economic and politico-military.

Mr. Dimitur Bogomilov Tanovski and Mr. Emil Asenov Mintov have been appointed deputy ministers of defence.

Mr. Valentin Georgiev Aleksandrov has been appointed secretary of state at the Ministry of Defence. A total of 13 chiefs of administrations and departments have been appointed, and they include servicemen and civilians. The three previous deputy chiefs of the General Staff and seven chiefs of administrations in the General Staff have been reappointed. Twenty-four administrations have been disbanded.

Minister of Defence Mr. Dimitur Ludzhev has issued an order whereby the length of service of the commissioned personnel has been brought into line with the General Conscription Act. The retirement age for officers on active duty has been set at 40 years for captains, 45 years for majors and lieutenant colonels, 50 years for colonels, and 60 years for generals.

"Two thousand colonels will bid a farewell to arms," today's "DUMA" wrote. The paper quoted a source as saying that between 30 and 35 per cent of the officers would leave the Army.

Zhelev Releases Election Campaign Platform

AU2812191391 Sofia BTA in English 1810 GMT 28 Dec 91

[Text] Sofia, December 28 (BTA)—"Bulgaria's natural foreign policy strategy is and will be a balance between the West and the East," according to presidential candidate Dr. Zhelyu Zhelev and his running mate Mrs. Blaga Dimitrova who released their election platform today. The Union of Democratic Forces nominees in the January 12, 1992 elections believe that "a small country like Bulgaria should balance its stance to all political and economic pillars in the world."

An integration into Europe's political and economic structures will retain its priority position in Bulgaria's foreign policy. In 1992 Bulgaria will have treaty-based relations with all countries of Europe. The Balkans will keep their special place in this country's foreign policy. "Bulgaria rightly aspires to be a genuine stabilizing factor in the Balkans, to play an essential part for the Europeanization of the region," the platform reads. Relations with the Slav offshoots of the former Soviet Union: Russia, the Ukraine, and Belarus, will be prioritized. "In our future policy, we will keep setting great store by contacts with the United States and we will keep promoting Bulgarian-American relations. We will invigorate relations with Japan and other countries in the Far East, and we will enhance contacts with the Arab world. We will activate Bulgaria's presence in Africa and South America," Dr. Zhelev and Mrs. Dimitrova intend, according to their election platform.

"We will be working for the upgrading of the population problem to the status of a national question," the platform says.

Candidates Protest 'Unfair' Election Position

AU2812165091 Sofia Khorizont Radio Network in Bulgarian 1600 GMT 28 Dec 91

[Text] This afternoon 10 presidential candidates authorized three representatives from their ranks to hold a joint news conference in an attempt to form a election campaign alliance for national salvation. The candidates protested the unfair position in which they had been placed, in their view, in comparison with the election team of Zhelyu Zhelev and Blaga Dimitrova. They also complained about the procedure for obtaining money for their participation in the election campaign, which according to them makes it practically impossible to use credit facilities.

However, this was the only point on which all the candidates were in agreement, and during the news conference they exchanged sharp retorts and personal attacks. A draft declaration was presented to the reporters that states that the incumbent president is abusing his official position by obtaining free radio and television time and using official vehicles for his own election campaign purposes. The document states that the candidates are prepared to boycott the presidential elections unless all candidates are guaranteed an equal standing. However, the participants in the news conference failed to answer the question that was repeatedly put to them, namely whether they would sign the declaration.

Poll Predicts Zhelev To Win First Round Election

AU2812211291 Sofia BTA in English 1912 GMT 28 Dec 91

[Text] Sofia, December 28 (BTA)—Incumbent President Zhelyu Zhelev stands a chance of winning the January 12, 1992 presidential elections in the first round of voting, according to a representative public opinion poll conducted by the National Public Opinion Centre. People see in Dr. Zhelev the person conciliating extremes, a pollster commented on national television.

With 68 per cent approval, Dr. Zhelev still tops the politicians' rating list. As many as 51 per cent of those polled named him as the best option for president, 56 per cent said they would vote for Dr. Zhelev. Next comes

Mr. Velko Vulkanov (17 per cent). The poll, however, was held before the Socialist (ex-Communist) Party declared it would back Mr. Vulkanov's bid for the presidency. Only 5 per cent of the respondents said they would vote for Academician Blagovest Sendov. Voter support is even weaker for ex-prime minister Dimitur Popov.

The poll showed that 52 per cent of those interviewed approve of the ruling coalition, the Union of Democratic Forces (SDS). The Socialists get just 26 per cent approval.

The incumbent SDS government is better than the previous coalition cabinet, according to 33 per cent of the respondents. The SDS government receives 44 per cent approval and 32 per cent disapproval.

Parliament aggregates 40 per cent approval and 38 per cent disapproval.

Radio Journalist Suspended for Backing BSP

AU2912175691 Sofia BTA in English 1657 GMT 29 Dec 91

[Text] Sofia, December 29 (BTA)—Mrs. Viza Nedyalkova, 37, has been suspended from hosting the "Post Factum" radio programme. Motivating this decision, the Programming Board of national radio ruled that Mrs. Nedyalkova promoted a politically committed and biassed line.

In the last two years, this is the first journalist in the national media to be suspended on political grounds. Mrs. Nedyalkova is member of the Bulgarian Socialist (ex-Communist) Party [BSP] and the show she started a year ago openly backs the BSP policy and gives the least support to the Union of Democratic Forces [SDS], which has been in power since October.

"This is merely power struggle in the radio leadership," Mrs. Nedyalkova told BTA. In her view, the decision to keep the programme and fire the host reminded her of Stalin's maxim, "out with the person and out with the problem."

For the time being Mrs. Nedyalkova's colleagues in national radio have not taken a stand on the case. She got support from Mr. Volen Siderov, editor-in-chief of the SDS "DEMOKRATSIYA" daily, from Mr. Ivan Garelov, moderator of the popular TV news and views programme "Panorama," and from Mr. Evgeni Mikhaylov, a TV director.

Car Bomb Explodes at Police Station; 3 Arrested

AU2812184491 Sofia BTA in English 1817 GMT 28 Dec 91

[Text] Sofia, December 28 (BTA)—An explosive device planted in a Lada motor car parked close to the police headquarters in Stanke Dimitrov, southwestern Bulgaria, was detonated at 2:50 AM [0050 GMT] last night.

The explosion destroyed the car, which belonged to a local, and shattered the windows of the adjacent buildings, including the police HQ. A private truck was also hit.

Immediately after the blast police Sgt. Metodi Nestorov, whc was near the site, gave chase to a suspect who managed to escape despite the policemen's warnings and shots.

Today the police arrested three persons on suspicion of having committed the bombing. An investigation into the case is under way.

Prosecutor Views Muslim 'Assimilation Campaign'

AU2912163891 Sofia BTA in English 1601 GMT 29 Dec 91

["Assimilation Campaign Masterminds: Immune to Justice?"—BTA headline]

[Text] Sofia, December 29 (BTA)—Everybody witnessed the "regeneration process"— the Muslims' forcible name change in 1985 by the old regime—but it will be difficult to convict its masterminds. According to Major Peycho Khitov of the Armed Forces Prosecutor's Office, they have been charged under Article 162 (1) of the Penal Code which reads as follows: "Every person guilty of incitement or preaching racial and ethnic hostility, hatred or racial discrimination shall on conviction be liable to imprisonment for a term not exceeding three years." This text has been borrowed word for word from Soviet legislation and it is only logical to ask whether it is applicable here, once Bulgaria is a single-nation state under the constitution. A historical and ethnographic expert examination has been ordered to examine the problem. The experts found that there is a Turkish sub-ethnos in Bulgaria, i.e. a combination of ethnic, linguistic and religious characteristics that set this group apart.

This does not mean that Article 162 is inapplicable: It may be interpreted otherwise: That there can be ethnic hatred in a single-nation state, too. For the time being, though, this is an open question because the Supreme Court has not issued an interpretative ruling.

Besides, there is another legal hitch: The accused contend that they had not sought the actual effects of the "regeneration process." They claim they sought to consolidate the nation and to upgrade rather than degrade the Turkish population in this country.

The judiciary should also determine whether the "regeneration process" has resulted in hostile relations between Turks and Bulgarians or between Turks and the Zhivkov administration.

Yet another problem is the parallel trial with Todor Zhivkov and Milko Balev as defendants. Under Bulgarian law, Zhivkov has the right to be present at all

investigative procedures and therefore he can choose which of the two cases to attend.

No Soviet Role in 'Regeneration'

AU2812191191 Sofia BTA in English 1755 GMT 28 Dec 91

[Text] Sofia, December 28 (BTA)—"For the time being, there is no evidence that the 'regeneration process' (the official euphemism for the ethnic Turks' name change campaign) had been prompted, inspired or carried out by Soviet citizens or institutions. Moreover, the USSR did nothing to take Bulgaria out of the international isolation in which it found itself after 1984," said Major Peycho Khitov of the Armed Forces Prosecutor's Office.

In his opinion, the then Communist Party and state leadership made no decision in writing on the launch of the "regeneration process." Directions started to be given only after the campaign began.

Between December 1984 and January 1985, all names of Arab origin were replaced by Slav ones. "Most people changed their names voluntarily, and force had to be used in just several areas. This process resulted in the mass exodus in the summer of 1989 when 350,000 Bulgarian citizens emigrated to the Republic of Turkey. The exodus was inspired by the 'regeneration process' and by Turkey's propaganda which was dramatically activated after 1984," Major Khitov said.

Todor Zhivkov was arrested in February 1990 precisely in connection with his involvement in the "regeneration process." The former dictator was charged with incitement to ethnic hatred which constitutes a criminal offence under Article 162 (1) of the Penal Code. In December 1990 the investigation was referred to the Armed Forces Prosecutor's Office because it was established that the then minister of internal affairs, General Dimitur Stoyanov, had been involved in the commission of the crime. After investigating the case records, the Armed Forces Prosecutor's Office instituted preliminary proceedings No. 1 on January 31, 1991.

The case sets a judicial precedent in world practice because a forcible name-change has never been the subject of litigation so far. Major Khitov said that in the eyes of the law the "regeneration process" does not qualify as genocide or discrimination. "In my opinion, this is an attempted forcible assimilation which is not criminalized by the Bulgarian Penal Code."

For the time being, the list of accused includes Todor Zhivkov, Dimitur Stoyanov, Georgi Atanasov (then secretary of the Communist Party's Central Committee in charge of organizational matters) and Pencho Kubadinski (then Politburo member and chairman of the National Council of the Fatherland Front). Petur Mladenov (then minister of foreign affairs) has also been charged but he was not served an indictment on medical grounds. Mr. Mladenov suffers from a serious heart condition, and a triple forensic expert medical examination has been ordered to determine whether he is competent to stand trial. The experts have not yet released their findings.

The people charged in Case No. 1 of the Armed Forces Prosecutor's Office are the masterminds rather than the actual perpetrators of the "regeneration process." Although the principals simply had no say in the matter under the circumstances at that time, proceedings will be instituted at the local level on charges of unwarranted use of force and false imprisonment. These cases are not that numerous and the investigators have documented them. According to Major Khitov, the ensuing terrorist acts committed by renamed Bulgarian citizens took a heavier death toll than the name-change campaign.

A vast number of witnesses who have anything to do with the "regeneration process" have been questioned in the investigative proceedings. The state and party policy on the ethnic issue has been traced since the 1950's. Particular attention has been paid to the time after 1971, when the Communist Party merged with the state under Article 1 of the then Constitution. The investigators have also perused the archives of the Ministries of the Interior and Foreign Affairs. The compiled case records consist of 20 volumes (totalling some 4,000 pages).

Major Khitov said that the "regeneration process" was of a political nature because it implemented a political decision and it had to be considered in view of the political alternatives and legal options available at that time. Even though the entire people witnessed the progress of the assimilation campaign and the facts of the case are clear, the purely legal aspect of the matter present problems.

Russian Envoy Affirms Commitment to Obligations

LD2712220391 Bratislava Rozhlasova Stanica Slovensko Network in Slovak 2030 GMT 27 Dec 91

[Text] Russian Federation Ambassador Alexander Lebedev handed a memorandum to Czechoslovak Deputy Foreign Minister Martin Palous which points out that Russia will continue to implement the international laws and obligations of the former Soviet Union. The embassy in Prague represents Russia and will continue to be called the Russian Federation Embassy in the CSFR.

Martin Palous announced on this occasion that the Czechoslovak diplomatic mission in Moscow is the Czechoslovak Embassy in the Russian Federation. At the same time he voiced the convinction that our political, economic, and other relations would be developed mutually so that the approach of Czechoslovakia and Russia to multilateral, but especially European and bilateral, issues will grow closer.

Dienstbier Gives New Year's Speech on Achievements

LD2812235591 Prague Stanice Ceskoslovensko Radio Network in Czech 1700 GMT 28 Dec 91

[New Year's address by Jiri Dienstbier, deputy federal prime minister and minister of foreign affairs, to the nation; in the studio—live]

[Text] The end of the year brings to a close the stage which began in our country in November 1989. Other countries, too, have had their own 1989 year. In some countries the date was different. In the Soviet Union, which has just ended its existence, it was perhaps 1985, although it was the coup makers who struck the final blow to the old empire. Among the organizations which had their roots in the past, the Warsaw Pact disappeared this year. The world divided by an iron curtain is irretrievably behind us. In our country, too, we have dismantled the old system under which entire generations lived for half a century. The majority of our citizens up to then did not know a different one. All kinds of things therefore came to an end and some new things are beginning.

Only a lack of humility could, however, induce us to think that we know with accuracy what kind of development this will be. Huge countries in the East are striving to achieve democracy, built in the end after centuries of futile attempts at a decent and civilized society in which people will be free and not slaves of tsars, general secretaries, and secret policemen. After all, only recently Pushkin's and Lermontov's poems enjoyed such popularity in Russia in particular because they gave testimony to the same experience with oppression which the present generations also had to endure.

Yugoslavia is disintegrating and this is costing many lives. The powerlessness of Europe and the world in face of these killings has led to nervousness and attempts to do something quickly. At times actions are beneficial while at others they lead to even greater catastrophies. This can be perhaps excused by saying that such catastrophies would have occured in any case. Above all however, where death is raging declarations will not help. I do not, however, mean this to sound pessimistic. I only wish to say that the old and unresolved conflicts, frozen for centuries under the lid of communism have not as yet found their people, ideas, and institutions through which we could prevent explosions, moderate them gradually, and enable those taking part in them to begin to tackle them exclusively by negotiations and peaceful means.

The fact is that the big bang caught the West by surprise, too. Institutions such as the Atlantic pact are not at all adapted to deal with those kind of conflicts which are unfolding today. At the same time the fate and security of the West depends perhaps even more on the development in central and eastern Europe than was the case when the nuclear umbrella was protecting 16 privileged countries against a massive attack from the East.

The meeting in Rome of the Atlantic Pact and the establishment of the North Atlantic Cooperation Council in Brussels on 20 December, attended by foreign ministers of the former members of the Warsaw Pact, bears witness to positive seeking. The EC summit in Maastricht and the EC association agreements signed with Czechoslovakia, Poland, and Hungary suggests the directions of building a new Europe.

We, too, are entering the new year with our own numerous experiences from restoring democracy. Little has remained from the euphoria of November 1989. Let us, however, admit that we all have done much and endured much and that our impatience is an expression of a lack of humility. We have, for instance, a freely elected parliament. It is one of the least popular institutions. Its output is, however, several times higher than is the output of parliaments in democratic countries. Deputies, too, have had to learn the new craft and the majority of them have acquitted themselves, despite a few who delayed the others by raising artificial disputes, by their radicalism and national, left wing or right wing or simply ordinary human fanaticism.

Not everything has therefore been successful but the overall result is hopeful. Up to now we have been mainly dismantling the past. Now we are facing the task of building our state. We are again approaching elections and the election campaign will be the measure of our maturity and culture. We will also hear hateful speeeches by those who are unable to excel in any other and better way than by pouring out dirt or by attempts to catch, hunt down, and destroy someone. The art of winning people over and holding them together for a common endeavor is far more difficult. Honest work can be less audible than are megaphones of wanton destroyers. We do not however have a reason to be frightened by them.

We, who want to build as quickly as possible a decent, tolerant, democratic, and prosperous society, are in the vast majority.

Forty years of totalitarianism has also developed in us a nose for demagogy under whatever labels its exponents are hiding. We will manage to distinguish who is who. I hope for all of us in this new creative phase of building our state that we will lay down reliable foundations, create a common state, succeed in privatization, in the fight to make our streets safe and so on, and to create a friendly environment of free people in which we will be glad to live.

The respect we enjoy in the world will grow commensurate to the degree in which we succeed. The aims of the foreign and internal policy are only two branches of the same communicating vessel and are therefore indentical.

Slovak Army Organizations Discuss Defense Tasks

AU2712134491 Bratislava VEREJNOST in Slovak 23 Dec 91 p 2

[CSTK report: "The Defense Capability of Slovakia"]

[Text] Poprad— A working seminar entitled "Joint Defense Does Not Mean a Unitary Army" was held in Poprad yesterday. The seminar focused on problems of the defense capability of Slovakia and the further development of the Slovak Republic army. Representatives of the Association of Slovak Soldiers, Stefanik Legion, the Slovak part of the Free Legion, and some organizations of the Union of Career Soldiers in Slovakia participated in the meeting.

The above-mentioned organizations agreed on the basic principles of cooperation in the pre-election period. Above all, they discussed the principles of Slovakia's defense capability, inclusion of these principles in the treaty that is being prepared between the Czech and the Slovak Republics, and a quick implementation of personnel changes in the army command. They agreed that the unitary army should be divided into two national parts, the command of national armies should be independent, and the future confederation of states could possibly have a joint defense.

Poll Shows Increased Left-Wing Party Support

AU2712112391 Prague CESKE A MORAVSKOSLEZSKE ZEMEDELSKE NOVINY in Czech 23 Dec 91 p 2

[Petr Novacek article: "Rosy Dreams Lure Again?"]

[Text] As reported by the Public Opinion Survey Institute [IVVM] on television late Friday evening, Klaus's Civic Democratic Party remains the most favored party in the Czech Republic in December (21.5 percent). The Czechoslovak Social Democracy passed the magic 10 percent, the Communist Party of Bohemia and Moravia came third, and the Liberal Social Union—consisting of the Agrarian Party, the Czechoslovak Socialist Party, and the Green Party—was fourth. In fifth place, the Civic Movement, would gain 6 percent of citizens' votes, and the Movement for Self-Governing Democracy-Society for Moravia and Silesia would also "squeeze" into the parliament today.

In Slovakia, Meciar's Movement for a Democratic Slovakia [HZDS] is clearly in the lead with its 30 percent; the second spot is held by Weiss's Party of Democratic Left [SDL], which greatly improved its position; the third, the Christian Democratic Movement, lost a little of its support; the Slovak National Party [SNS] would obtain 13 percent, and the Democratic Party, 5 percent of the votes.

Summing this up, the December IVVM survey data indicate a clear increase in support for the left wing, which would gain a full 60 percent of the votes of those polled in Slovakia (HZDS, SDL, and SNS). It is a warning signal now when the impact of the economic transformation is expected to hit even harder! As far as the Christian parties are concerned, particularly the Czechoslovak People's Party, their lackluster and often controversial policies do not satisfactorily address the citizens. The right-wing parties of the type of the Czech Civic Democratic Alliance or Slovak Civic Democratic Union-Public Against Violence Party will, so it appears, have to look for a strong coalition partner fast, if they do not want to end up outside the parliamentary gates.

There is one more interesting feature about the December returns. While 25 percent of the Czech Republic citizens remain undecided, in Slovakia this indicator of passivity significantly declined, and bears witness to the dramatic politicization of local public life. Only in the January and subsequent surveys, however, can a pattern of electoral preferences be traced that would properly indicate the trend and be of value for the citizens and the party electoral campaign teams.

Unemployment Statistics for November 1991

AU2712110291 Prague HOSPODARSKE NOVINY in Czech 20 Dec 91 p 8

[Unattributed table in "Statistical Signals" column]

[Text]

Job Seekers and Job Vacancies as of 30 November 1991

	Unplaced Job Seekers		Recipients of Unemployment Benefits	Vacant Jobs
	31 October	30 November		
Prague	9,927	9,249	5,960	10,566
Central Bohemia	19,915	20,566	15,191	5,325
South Bohemia	14,739	14,970	10,943	2,156
West Bohemia	11,730	12,234	9,653	4,723
North Bohemia	23,858	25,260	17,152	5,934
East Bohemia	25,658	25,952	19,399	4,987
South Moravia	48,040	49,289	32,285	4,971
North [illegible]avia	57,441	60,005	40,653	6,855
Czech [illegible]ublic				
Total	**211,318**	**217,525**	**151,236**	**45,517**
Bratislava	17,727	18,696	15,285	1,881
West Slovakia	89,648	95,730	76,599	1,789
Central Slovakia	79,403	86,496	76,266	1,752
East Slovakia	76,302	81,783	62,841	2,470
Slovak Republic				
Total	**263,080**	**282,705**	**230,991**	**7,892**

	Unemployment Benefits Paid Out Since the Beginning of the Year in Million of Korunas	Rate of Unemployment in Percentages
Prague	110.4	1.29
Central Bohemia	138.1	3.86
South Bohemia	102.5	4.21
West Bohemia	92.8	2.76
North Bohemia	156.9	4.12
East Bohemia	146.2	3.94
South Moravia	318.0	4.74
North Moravia	395.2	5.94
Czech Republic		
Total	**1,460.5**	**4.05**
Bratislava	123.9	6.26
West Slovakia	643.2	12.43
Central Slovakia	640.9	10.98
East Slovakia	602.4	11.70
Slovak Republic		
Total	**2,010.4**	**11.06**

Relations With Commonwealth States Expected

LD2712235191 Budapest MTI in English 1634 GMT 27 Dec 91

[Text] Budapest, December 27 (MTI)—Hungary is expected to establish diplomatic relations with Belarus and Moldova in the first half of January, Foreign Minstry officials told MTI on Friday. The remarks were made in connection with the recognition of the new community of states by the Hungarian Government on Thursday.

The officials said Hungary would continuously coordinate the draft protocols on establishing diplomatic relations with the other republics of the former Soviet Union, now the Commonwealth of Independent States.

Recognition implies that the countries of the world, Hungary among them, accept as a reality and welcome the Commonwealth that is replacing the Soviet Union. At the same time, the Hungarian recognition of the Commonwealth practically implies the individual recognition of all states joining it. (Hungary naturally also recognises the independent statehood of Georgia, although the Caucasian country has not joined the Commonwealth.)

With respect to the timetable of establishing diplomatic relations, although Hungary has declared its readiness in principle to set up diplomatic relations with all independent states, the technical implementation of this is expected to take several months.

Diplomatic relations are expected to be established with Belarus and Moldova in January, following Russia and the Ukraine. The protocol of diplomatic relations has, in effect, been formulated, with the date and venue of its signing still pending. Working out the drafts with the other independent states will take slightly longer.

After establishing diplomatic relations new embassies will also have to be opened in addition to those currently-operating in Moscow and Kiev. Due to the limited sources available, several new missions will see to the representation of Hungary in more than one republic. All problems in the transitory situation existing until the establishment of diplomatic relations can be settled on the basis of mutual good will, Budapest officials say.

Antall on Shevardnadze, Gorbachev's Resignation

LD2712181191 Budapest Kossuth Radio Network in Hungarian 0500 GMT 27 Dec 91

[Interview with Prime Minister Jozsef Antall by correspondent Andras Fabri on 26 December; place not given—recorded]

[Text] [Fabri] A few weeks ago Shevardnadze said that a second military coup is expected in the Soviet Union. How do you evaluate this statement in view of current events ?

[Antall] Presumably, Shevardnadze intended this as a warning also, either to Gorbachev or to Gorbachev's enemies, and, simply, this possiblity cannot be excluded from the analysis of the situation. The Soviet Army represents enormous power even today, it always had a tremendous internal political weight. There is still an enormous Soviet Army in existence today, and it is in an extremely bad mood, thus the Army itself represents a constant potential danger in the transformation, so the possibility of a military coup prevails.

I think that Shevardnadze was aware when he took up Gorbachev's side that he was taking up a lost cause. A cause, which is perfectly understandable in political strategy, when during retreat, the orderliness of retreat has to be secured. Gorbachev and Shevardnadze wanted to carry out the retreat in an orderly manner.

Jeszensky, Horn View Soviet Situation

LD2912152391 Budapest Kossuth Radio Network in Hungarian 0725 GMT 29 Dec 91

[Interview with Foreign Minister Geza Jeszenszky and Gyula Horn, Foreign Affairs Committee chairman, with correspondents Zsolt Szalai and Istvan Marin-Kovacs in Budapest on 29 December; from the "World Clock" program—live or recorded]

[Excerpts] [passage omitted] [Correspondent] Given the region's crisis situation, do you regard Hungary as independent, truly independent?

[Jeszenszky] I wrote this, not very long ago in BECSI NAPLO [WIENER JOURNAL]. After 450 years, real independence for Hungary arrived with departure of foreign troops from the country's soil on 30 June and this included independence in the legal sense as well. What is distinctive about this independence is that there is no large foreign power, near or far away, hoping to force a political, social, or economic system on the Hungarian people that they do not want, do not wish, one they are opposed to. [passage omitted: historical references]

[Horn] I, of course, agree with all of this, but my view is that such a thing as independence in the real sense does not exist under today's conditions. All countries, including the major powers, must take into consideration world demands around them. I agree that we chose our own social system but in every foreign policy step, in our every decision, we must take into account first of all our neighbors, their possible reactions, and also how what we do or say is perceived in the West. How does this assist closing up Hungary to Western Europe? But I would like to add that the U.S. must also take into account what is happening in the world. [passage omitted]

How dangerous is the disintegration of the Soviet Union for the countries of the former Soviet Union and the other countries in the region, Mr. Minister?

[Jeszenszky] I think many people draw a parallel between events in the former Soviet Union and the disintegration of Yugoslavia. But it is exactly here where there is a difference, in Yugoslavia this disintegration is taking place amid bloodshed, in war which endangers us and the entire region. At the same time, in the Soviet Union this process has so far been peaceful, except for some tragic atrocities or smaller local conflicts which admittedly took a significant number of human life already. But I see a huge difference from the position which states that all Serbs must live in Serbia, neither Yeltsin nor other responsible Russian politicians said anything like this, though several million Russians live outside the borders of the Russian Federation.

Another difference, related to this of course, is that the two largest former Soviet republics, Russia and the Ukraine, not only have not yet quarreled, but contrary to some predictions, created the Union at Minsk together with Belorussia. There have been no border disputes, or these have been burried, they agreed on open borders between them, and several other republics joined this initiative.

[Correspondent] So you are confident of a peaceful development concerning the states of the former Soviet Union? [passage omitted]

[Jeszenszky] I am confident, partly because there are no alternatives. [passage omitted]

This is not blind optimism but the world simply must realize that we have the opportunity or at least a good chance to influence events. Our partners are the republics of the former Soviet Union, their leaders. [passage omitted]

[Horn] Let me add my opinion. To me, these developments are quite irregular, contradicting all of Soviet history so far.

[Correspondent] So you did not have confidence...?

[Horn, interrupts] No. Previously in the Soviet Union no serious questions have ever been solved without bloodshed, without conflicts. Now the present situation is that the dissolution of the Soviet Union, contrary to its creation, to its past, took place peacefully. I must confess that I did not expect this due to historic experiences.

[Correspondent] Do you judge this to have been a coup?

[Horn] No, I attribute this to the fact that the leadership, the present leadership headed by Gorbachev and others as well, could in reality no longer intervene in this process. I must stress that I see Gorbachev's achievements not interfering in our foreign policy for the past two years—this is only a comment. [passage omitted]

The question is whether this (?peaceful process) can be continued because the Union is full of question marks, disputes already about what should be discussed on the 30 December. To me, the crucial question is the future of the nuclear weapons. It is essential that these should be safely deposited for the whole world and especially for the neighbors. How and in what way must be decided, and in my view the community of nations must not be left out of this, whether this is called the NATO or anything else. I would be very much afraid of letting Russia alone decide on the fate of the nuclear weapons. I would be very concerned, this would cause such tension ... [passage omitted: correspondent interrupts] ... tension between Belorussia, Russia, and the other new states. The other question is what will happen about nationality conflicts, we can see what is happening in the Baltics, the tough disputes with the Poles and so on. [passage omitted]

The Russian leadership stated that they lay claim to the exit of the Black Sea, this is purely Ukrainian territory. If they mean it seriously than there is a new source of conflict and we don't know what develops. The third question is the economy. [passage omitted]

Will they share this or not, what will be the West's reaction, and will the West take this new formation of states seriously—in my view this is the world's largest challenge in the 20th century. New opportunities will open for Western Europe everywhere in the field of economic relations. [passage omitted]

[Jeszenszky] For the economic transformation, years, if not decades are necessary. Obviously this cannot happen at the same time over all of the territory of the former Soviet Union. [passage omitted]

[Horn] There are two questions. It is a fact that there is the threat of starvation in the former Soviet Union ... [passage omitted: Jeszenszky interrupting about Horn's pessimism] ... this assistance must be provided because they cannot solve the problem themselves. Further on this, they have material and other resources which we, their neighbour, do not have. [passage omitted]

[Jeszenszky] The Hungarian foreign policy is certainly active. I wish to remind you that we had signed three treaties on 6 December. [passage omitted]

[Horn] I regard as the most significant step the one we took in connection with Ukraine, the basic treaty on national minorities and many other matters. It is true that Russia is so much bigger, but Ukraine is our neighbor and there are 250,000 Magyars there as well who are very receptive, which cannot be said about the Russian Federation. [passage omitted]

I do not think there is a real strategy in the West with respect to us. We have to recognize that the West is not interested in a Hungarian-Romanian quarrel, they do not want to hear about it or be concerned about it. [passage omitted]

[Correspondent] How outraged are you about events in Yugoslavia?

[Jeszenszky] I already said in one of my Christmas interviews that for me it is indeed a physical and moral

pain, as for many of us, to watch the bloodshed on television. [passage omitted]

I am remembering Hungary in the winter of 1956. The Hungarian nation in its despair could gain some minimal consolation from the fact that the world was in sympathy, wanted to help. The victims of this war are not surrounded with such sympathy. [passage omitted]

[Horn] The problem is Europe does not know what to do about this war, the U.S. after completing its role as mediator does nothing. I never agreed that only the EC should be involved in this problem. [passage omitted]

[Jeszenszky] There is certainly less direct interest. [passage omitted]

The democratic world and Europe want to settle this conflict on the basis of democratic principles, and this will not work. They are also captives of certain principles, Yugoslavia as a unified state, etc. So they are in fact taking the right steps but too late. [passage omitted]

[Correspondent] What is the way out then? Is there still a short-term solution?

[Horn] I am still thinking in terms of all-European context, a conference which would establish the conditions and link them to sanctions. [passage omitted]

I suspect they will not rest until they did not occupy, annex in some form, the Croatian regions inhabited by Serbs. [passage omitted]

Unless by some miracle a new internal situation develops in Serbia which forces the ending of the war.

[Correspondent] Mr. Minister?

[Jeszenszky] I agree with Mr. Chairman Horn, but I do not believe the Serb mothers, or even soldiers identify with this war the same way as the population of the countries did even with the former wars. [passage omitted]

Secretary Assures Soviet Energy Imports

LD2712160591 Budapest MTI in English 1335 GMT 27 Dec 91

[Text] Budapest, December 27 (MTI-ECONEWS)—Hungary has earlier concluded energy import agreements for 1992 with relevant foreign trade companies of the former Soviet Union, and believe the relevant supply reassured, Deputy State Secretary of the Hungarian Ministry of Industry and Trade Arpad Bakay told MTI this morning. Imports can be regarded secure, however, if the contracts are fulfilled by the successor republics, he added.

In 1992, Hungary is to buy 4.8 billion cubic metres of natural gas from member states of the Commonwealth of Independent States. Total consumption is expected at 10 billion cubic metres with the difference to be covered by domestic production.

In the first quarter of 1992, Hungary has a contract for the import of 1 million tonnes of crude oil, and an option agreement for another 750,000 tonnes to cover the loss from suspension of oil deliveries through the Adria pipeline, which has been idle since September 16.

In December, a total of 320,000 tonnes of crude has already arrived in Hungary from the Soviet Union, up on past monthly averages of 130,000-170,000 tonnes.

This year, Hungary has imported 3.5 million tonnes of crude from the Soviet Union. In 1992, Hungarian crude imports should total about 6 million tonnes, with consumption around 7.2 million tonnes.

A substantial drop in Hungarian electricity demand and imports is expected in 1992, in line with recent annual declines.

While Hungary imported 10,400 gigawatthours with 1,850 megawatt peak output from the Soviet Union in 1990, the corresponding demand has fallen to 6,200 gigawatthours with 1,100 megawatt peak output in 1991. Contracts have been made for the electricity import of a mere 1,200 gigawatthours with 200 megawatt peak output for 1992.

Yugoslav Railway Debt Impedes Transportation

LD2812174791 Budapest Kossuth Radio Network in Hungarian 1600 GMT 28 Dec 91

[Text] Transportation and Telecommunications Minister Csaba Siklos has informed the Yugoslav ambassador in Budapest about the serious problems which the civil war is causing to Hungarian railroad traffic and river navigation. Yugoslav Railways owes the Hungarian State Railway alomost 2.5 billion forints and the fact that shipping has been suspended on the upper Yugoslav reaches of the Danube because of the Yugoslav side's failure to assume responsibility contributes to a large extent to the fact that Hungarian shipping is in a state of bankruptcy. Icebreakers are not sailing on the joint Danube-Drava stretch either, and this could have serious consequences, Csaba Siklos warned the Yugoslav ambassador.

The Belgrade diplomat promised that they will soon repay in cash a large part of the debt owed to Hungarian State Railways, and that he will report to the Yugoslav authorities on the difficulties, which he himself also considers to be real.

Spokeswoman Briefing on 27 Dec Government Session

LD2812185191 Budapest MTI in English 1659 GMT 28 Dec 91

[Text] Budapest, December 28 (MTI)—Hungarian Prime Minister Jozsef Antall has informed the Council of Arab Ambassadors in Budapest on the attack committed against Russian Jews near Ferihegy Airport on Monday, and on the subsequent measures the Hungarian

authorities had taken, government spokeswoman Judit Juhasz told the press on Saturday.

In its Friday session, she said, the government approved a short-term programme for the development of Szabolcs-Szatmar-Bereg County in northeast Hungary. The package, which is the government's first regional programme, earmarks 500 million forints for developing the county and creating new places of employment there. (The government's draft budget, which is still to be approved by parliament, allocates 6 billion forints for regional development and the creation of new workplaces nationwide.) The government will press for allocating further funds to Szabolcs-Szatmar-Bereg from the World Bank credit line, the spokeswoman said.

As far as the concrete plans are concerned, in October 1992 bids will be invited for the construction of the M3 motorway up to the Ukrainian border, and the project is to be launched in 1993. A local enterprise agency is to open in Nyiregyhaza.

The government supports the county's proposal for setting up a Carpathians-Tisza working community, which would promote economic and cultural cooperation between the border regions of Hungary, the Ukraine, Slovakia and Romania.

Parliament Defense Committee Adopts Budget

LD2812093291 Budapest Kossuth Radio Network in Hungarian 2300 GMT 27 Dec 91

[Text] The National Assembly Defense Committee has, in effect, adopted a government proposal on the 1992 defense budget. The majority of deputies did not foresee a possibility of increasing the 60-billion forint allocation, despite the fact that they had originally demanded seven billion more. The body has accepted only one amendment, according to which 1.1 billion forints are taken out of the prime ministerial reserve fund in order to electronically advance fighter planes.

Antall Comments on Railway Modernization

LD2812101391 Budapest Kossuth Radio Network in Hungarian 1700 GMT 27 Dec 91

[Interview with Prime Minister Jozsef Antall by correspondent Agnes Papp on 27 December in Budapest—recorded]

[Text] The state of the Hungarian State Railways [MAV] is dismal, declares the MAV managing director. Jozsef Antall today met representatives of the railways workers. Agnes Papp asked the prime minister about the talks.

[Papp] Was this visit a gesture or does this mean that the Government pays special attention to the railways or is providing special support for them? It seemed during the budget debates that this is not the case.

[Antall] It certainly is our aim to develop and support the railways to the greatest possible extent, but as I said in my speech, there are limits to this. This is a devilish circle, there is need for support, but such support can only be taken from the budget, and the budget cannot bear it unless the economy develops faster. As a result here again it is a very narrow line which means support for the railways and their general development. The railways must be treated in a rational, pragmatic manner, and every possible sources of credit must be found, every possible solution must be considered, including fundamental rethinking, to find the way for development. Here the work of the minister for transport has already been outstanding at the Pentagonale and the Hexagonale, where the ministers for transport always played the leading roles.

[Papp] Mr. Prime Minister, when do you visualize this plan being able to accomplish the development of the Hungarian railways?

[Antall] The development of the Hungarian railways will need a number of years. I believe that what we are thinking of here is a railway development program which will take perhaps a decade, with in some cases parallel building to the existing network, and also to a smaller extent completely new lines. But primarily modernization, because much faster railways with much greater load-bearing capacity will be operating.

[Papp] The key question about this is money, as you said yourself; will there be money for it?

[Antall] Money will obviously be partly from some modest budgetary support...

[Papp, interrupting] Are you thinking of additional support?

[Antall] I can obviously only talk about what parliament will vote for within the budget, there is no other. The rest is the question of loans, new ideas, and the railways themselves must be able to operate as companies.

National Assembly Enacts Law on Income Tax

LD2912054791 Budapest MTI in English 1947 GMT 28 Dec 91

[Text] Budapest, December 28 (MTI)—In its Saturday plenary session, parliament prolonged its ban on the conversion or sale of cooperative property, and enacted the personal income tax law for next year.

The ban on selling the property of coop farms or transferring it to business associations remains in effect until January 31, 1992 unless parliament enacts the cooperative law earlier.

The personal income tax law was adopted in a vote by call-over, with 207 votes for, 125 against and two abstentions. The Young Democrats, who initiated this form of vote, argued that the personal income tax would impose the greatest burden on Hungarians next year, so the electorate should be duly informed on how the deputies voted and who should be blamed for the consequences.

Under the new laws, employees will no longer be granted any tax allowance. Incomes up to 100,000 forints a year are exempt from taxation. Incomes between 100,001 and 200,000 forints are taxed at a rate of 25 percent. The rate is 35 percent for incomes falling between 200,001 and 500,000 forints, and 40 percent for incomes over half a million.

In keeping with the government's policy, tax allowances were cut to a considerable extent.

The farmers' tax allowance, however, is to increase. Earlier, the incomes of small-scale farming families were exempt from taxation up to 500,000 forints. This limit has now been raised to 750,000 forints. From now on, all family members who are independent small-scale farmers enjoy this allowance rather than the family as a whole.

Under the law, those involved in intellectual activities are allowed to deduct 100,000 forints from their taxable income.

Contributions to foundations are invariably deductible from the taxable income. Pensions remained tax-free. However, if a pensioner draws incomes from other sources, he has to pay a tax on his combined income.

Reductions Recommended in Radio, Television

LD2912094591 Budapest Kossuth Radio Network in Hungarian 0900 GMT 29 Dec 91

[Text] The parliamentary Budget Committee wishes to reduce next year's budget of Magyar Radio [Hungarian Radio] by 170 million forint. At last night's meeting, Gyule Fekete proposed that the wage and salary allocation be reduced by more than 50 million, National Insurance contributions by around 23 million, and capital expenditures by 97 million forint. Finance Ministry representatives did not support the idea, but in spite of this, after a short debate, the Budget Committee decided to adopt the proposal. In the case of Magyar television, the committee decided to recommend to parliament a reduction of one billion forint. It is understood that these two proposals were also raised at the Committee on Cultural Affairs but MPs there rejected them.

Private Radio Station Hopes for Permit

AU2712183491 Budapest MAGYAR HIRLAP in Hungarian 20 Dec 91 pp 1, 3

[MTI report: "Radio 102 Continues To Broadcast"]

[Text] Now it is up to the Ministry of Transport, Telecommunications, and Water Affairs [KHVM] to decide what will happen to the Radio 102 station which broadcasts programs as a successor of Radio Bridge, because the Institute for Frequency Allocation [Frekvenciagazdalkodasi] withdrew the permit to broadcast. This measure directly affected the Broadcasting Enterprise [Musorszoro Vallalat], therefore, it turned to the KHVM. The KHVM stated that a decision had to be made within 30 days in a case for the authority, and the only possibility was that the KHVM would prolong the proceedings by one month on one occasion if investigation on the spot was necessary.

Using its powers of authority, based on government decree No. 128 in 1989, the Institute for Frequency Allocation made a decision with possibility for appeal on withdrawing the broadcasting permission. However, the appeal by the Broadcasting Enterprise allows Radio 102 to operate until a decision is made. If the KVHM upholds the decision of the Institute for Frequency Allocation, then the broadcasts will have to cease. The affected parties can contest the ministry's decision in court but they cannot continue to operate the radio during the duration of the proceedings.

Olszewski Cabinet Meets; Presidium Appointed

Former USSR Republics Recognized

LD2712192591 Warsaw Radio Warszawa Network in Polish 1800 GMT 27 Dec 91

[Excerpts] Good evening. A briefing for journalists by people who took part in a Council of Ministers meeting ended a dozen or so minutes ago. The meeting with journalists was opened by Wojciech Wlodarczyk, head of the Council of Ministers Office.

[Begin recording] [Wlodarczyk] I would like to report that Prime Minister Jan Olszewski has appointed a government spokesman. He is Mr. Marcin Gugulski, who I would like to introduce to you. Also present here is Minister Skubiszewski, who would like to explain an issue discussed during the Council of Ministers meeting.

[Gugulski] Good evening ladies and gentlemen. I hope that our cooperation will be beneficial to everybody. Today's meeting was the first meeting of the new Council of Ministers. It was chaired by Prime Minister Jan Olszewski. As you might have noticed the meeting was relatively short and of an introductory nature. The most urgent government tasks were discussed, and some organizational matters were resolved. The prime minister has appointed the Government Presidium in interim composition:

Jan Olszewski, chairman of the Council of Ministers;
Wojciech Wlodarczyk, minister—head of the Council of Ministers Office;
Krzysztof Skubiszewski, minister of foreign affairs;
Antoni Macierewicz, minister of internal affairs;
Jerzy Eysymont, minister—head of the Central Planning Office;
Karol Lutkowski, minister of finance.

The prime minister delivered a brief inaugural speech, in which he expressed hopes that everybody would give all their time and effort to execute tasks facing the government. The next item on the agenda was a government position toward the Commonwealth of Independent States, and this item was presented by the minister of foreign affairs, to whom I give the floor.

[Skubiszewski] After a short discussion the government adopted a resolution on recognizing as states the Republic of Armenia, the Republic of Azerbaijan, the Republic of Belarus, the Russian Federation, the Republic of Kazakhstan, the Republic of Kyrgyzstan, the Republic of Moldova, the Republic of Tajikistan, Turkmenistan, and the Republic of Uzbekistan. The government expresses readiness to establish interstate relations, including diplomatic relations between Poland and these states. There has been a simple explanation for omitting the Ukraine from the list. The government adopted an official document of recognition on the Ukraine earlier. [passage omitted]

Finally, Georgia has not been included. Our attention focused on the states which belong to the Commonwealth of Independent States.

[Wlodarczyk] [passage omitted] [end recording]

Government Spokesman's Biography

LD2712185291 Warsaw PAP in English 1802 GMT 27 Dec 91

[Text] Warsaw, Dec. 27—The Polish prime minister Friday appointed Marcian Gugulski of Christian-National Union (ZCHN) the spokesman for the Polish Government. Gugulski was born in 1958; in 1976 took part in the assistance campaign for the workers of the Ursus factory near Warsaw; active within the Independent Student Association (NZS); Was in hiding for one and a half years during martial law; Worked for the "WIADOMOSCI" underground weekly. Was associated with the "DZIENNIK POLSKI" emigree daily of London; [is] single.

Strategic Economic Program Discussed

LD2712232891 Warsaw PAP in English 2219 GMT 27 Dec 91

[Excerpt] Warsaw, Dec. 28—[passage omitted] The government examined the timetable and procedure of work on drafting a strategic programme of social and economic development of the country in the years 1992-93, as proposed by Eysymontt [minister of Central Planning Office]. The document is to define priority tasks for the government's economic policy and set deadlines for their implementation. It will be worked out by an inter-ministerial team that would also include a representative of the National Bank of Poland (NBP).

The prime minister pointed to the difficult conditions in which the government is starting its work, and declared his co-responsibility for any harsh decisions that will be taken by his ministers.

Olszewski Interviewed on Plans, Current Issues

LD2912162191 Warsaw Radio Warszawa Network in Polish 1105 GMT 29 Dec 91

[Interview with Prime Minister Jan Olszewski by correspondent Andrzej Jelenski in his Council of Ministers office; from the "High Noon" program—live or recorded]

[Text] [Jelenski] Mr. Prime Minister, one should expect that you, that is, yourself, parliament, and the president, will present proposals on general solutions concerning the taxation and finance system, foreign policy, administration of justice, public security, health care, education and so on, the list is very long. Although two years have passed since we regained independence, there is still a long way to go to a proper shape of things.

[Olszewski] It is difficult to talk about the regaining of independence as a single act. This has been a process.

Two years ago we started to regain independence. We have regained it, I hope, not exactly because of our own activities, but because a certain international order is changing around us. Independence has been given to us, somehow. Now, we ourselves have to find an answer in this situation, and, I would say, we ourselves have to measure up to the situation. This is extremely difficult after half a century's interruption. However, one has to act in this direction, and to act swiftly, within our capacity, as time does not wait.

It is difficult to say how long we will have such splendid chances as we have at this moment. One thing is certain. Nearly everything depends on ourselves. Of course we are acting in extremely difficult conditions, first of all in extremely difficult economic conditions, but, after all, when the Second Republic was born it had to act in equally difficult conditions, maybe even more difficult, as it was under military threat. We are not under any outside threat. We simply bear the hard consequences of the fall of the communist system, but this does not relieve us of the duty to see not only current difficulties but also the prospects ahead.

What we are going to do now does not merely depend on people who live now, here, in this country. This is maybe a matter for several or even more generations of Poles, who would point to the present moment, and who would square accounts with us for what we did, and particularly for what we did not manage to do. That is why everything has been so urgent.

You mentioned a whole list of very important issues. I could give you many more equally important, maybe more important ones. The problem is that one has to do everything at the same time, one has to do it, acting under the pressure of time and conditions.

The government I have the honor to lead began its activities three days ago, and for the moment we are striving to control the process, [as heard]; but a day has only 24 hours. First of all we are going to endeavor to keep to the limit set by me in the expose, the time limit. Specific dates have been given for first, the preliminary tasks of the government, and we will do everything to keep these dates.

[Jelenski] The state of finances is unknown. Nobody knows how far the economic disintegration of the state has gone. When will we be able to learn about the real situation?

[Olszewski] I think that this is a matter of several or a dozen or so weeks, when we carry out a thorough review of the present situation. We have indeed inherited an unenviable state of affairs. The government does not really know what is the financial situation of the state, and how great the budget deficit is, and also to what extent we have a budget at all. Moreover, the first period of our activities, the first quarter of next year, is to be covered by a plan and rules worked out by the previous government, and, as a matter of fact, we have no conditions to even carry some checks, we have to accept in good faith that certain things were done in the only way possible.

On 1 January a provisional budget comes into force and if we question it, the state would not be able to function as there is no money, and we cannot allow that. In this connection, for the first three months of our activity, we have to adopt the plan of activities and the range of possibilities outlined by the former government, and after that period we can try to prepare a budget for the rest of the year, and to conduct our own line of social and economic policy as far as possible.

[Jelenski] Mr. Prime Minister, a very important thing. Somebody has to tell young people, young Poles, that culture, knowledge, qualifications, diligence, and reliability are not just virtues good for airy intelligentsia, but a good investment, and that without them there is work on the tracks and at clearing the snow.

[Olszewski] Unfortunately, people can learn today that one can earn very good money without using one's knowledge and abilities, but simply by resourcefulness, smartness, and contacts. But one has to be aware that this is what we have inherited from the past period. It can appear nowadays on a large scale, it can bring effects evidently more profitable that when there was a campaign against so-called black sector activity. Now some things are being confused. An activity of a semi-criminal nature is mistakenly treated as a proper and classic enterprise. Some differences are becoming obliterated, they overlap, but all these are features of a period of transition.

When the situation starts to clarify, when we start to enter a normal free market system, not only domestic, a system that will, after all, be a European system, we will have to adapt to certain standards, and those standards are going to attain civic rights for themselves; that is, the situation will clarify itself and then the only capital that will remain is the capital of one's own knowledge and industry, but industry alone does not necessarily suffice, it must also always be supported by abilities, knowledge. [sentence as heard] All this is the real capital which we have to acquire, and at the moment people who are inclined to that, I think that the generation now coming of age ought to be inclined toward that.

We have a government without Solidarity, but we have its support. I don't deny that I assess that support very highly, although one could say that from the purely numerical point of view is is very humble support, as the union representation in the Sejm in any case is in line with the earlier accepted assumption, but for me it is of enormous moral significance. [sentence as heard] I myself have risen from that movement, I feel strongly connected with it, and for me it is more than just those votes, however many there are, that function as a kind of authentication of a certain political line accepted by me. In all the governmment's policy I am counting on maintaining that support on the part of Solidarity.

[Jelenski] What are the chances of your cabinet acquiring special powers?

[Olszewski] That is difficult for me to assess at the moment. That is a question which is going certainly to require many more talks and [word indistinct] dialogue with political groups. I know one thing: Without special powers it will be very difficult to carry out the minimal social and economic aims facing the government. I think that there is broad awareness of this in the Sejm, sufficiently broad for us to be able to count on a favorable attitude of the Sejm toward our demands in this sphere.

[Jelenski] Has the construction of the government been concluded?

[Olszewski] No, it is not finished. When appointing the government presidium, it is a constitutional requirement that such a presidium exists. I emphasized the interim character of the proposed solutions, because we are attempting and will attempt to broaden the political base of the government. The base must be broadened quite simply because the demands of the moment require it of us. It is obvious that if in such difficult situtations we have to make unequivocal and often very painful decisions, there must be support, stable political support in the Sejm.

[Jelenski] Mr. Prime Minister, Poles are expressing the fear that this will be a government of continuation.

[Olszewski] That might and will be the impression of the first few months. Our conditions for activity, especially in the first quarter of next year, have been imposed by the outgoing government, they have been imposed by the provisional budget that was prepared earlier. The elections that took place on 27 October determined by their very nature that the government that would emerge from the new parliament, whatever it might or might not resemble, will not be in a fit state to prepare its own budget, and that the government will have to, in the first period at least, base itself on what is left by the former government.

We have found ourselves precisely in that situation. This is in fact a situation that would apply to any government that would emerge from this parliament. In connection with this, for the first months we will have our hands tied to an exceptional degree. Talk of the fact that we can immediately implement some changes would be utterly irresponsible. What this government ought to, and I harbor the hope that it will, is to make a break from the practice so far—this is, let us say, quite simply a certain style, a style of activity in concert with society. Society ought to receive information that is as full and wide-ranging as possible, even about things that are unfortunate and difficult for it, even about such things that are unfortunate and difficult for the government.

Quite simply, we have no alternative. If we are to act together, and we must act together, then we must also know where we find ourselves, and what opportunities we have. And here, quite simply, there must be full clarity between us, based on the truth, on telling each other, frankly, all that must currently be said, given the present condition of the state, country, and society, and of the authorities also.

[Jelenski] President Lech Walesa claims that this government has a 50 percent chance.

[Olszewski] I feel he is an optimist.

This is a situation in which it is necessary to be active, irrespective of the quality of the opportunities. It could be that we have only a 30, or perhaps only 25 percent, or perhaps 40 percent chance. But I do harbor this conviction that there is no other way of being active, and it is necessary to be active. As I say, this is a certain challenge of the moment, a historical challenge. And we must fulfill the tasks that face us, as a country, as a nation. We must respond to them.

[Jelenski] What was the year 1991 like for you, the year that is coming to an end? What will the year 1992 be like?

[Olszewski] The year 1992 will surely be more difficult than 1991. In 1991, in a certain sense, being of course the whole time an active participant in public life in this country, I was in a certain sense nonetheless also something of an outsider. I looked at certain things from the sidelines. I was an adviser to the president. I had the luxury of being able to formulate my views completely freely, and pass them on to the opinion-forming figure of the president; and the weight of the decisions, the acceptance or rejection of this advice rested on someone else. This was a very, a psychologically very comfortable situation. Well, unfortunately, it has now ended for me.

[Jelenski] In that case, what will be the most difficult thing to fulfill in the coming year?

[Olszewski] The most difficult thing will surely be the implementation of a certain 180 degree turn. I have the impression that this is, let us say, very cautious and only slightly perhaps even visible—the breaking of the downward trend in the economy, with the simultaneous maintenance of control over inflation, and the defense of that which is the basis of every economy, that means the protection of the currency, the value of money, the protection of the zloty.

[Jelenski] And what goes with it, the protection of the interests of the people who live here?

[Olszewski] In the longer term, the defense of the interests of the whole of society and every citizen. Without stable money it is very difficult to imagine at all for oneself any kind of economic activity for the longer term that makes sense. To a significant degree the secret of success of the Second Republic, where it had successes—and it did nonetheless attain certain significant successes—was the Grabski reform. He left behind him, in essence, this strong economic basis for the state for the next dozen years or so.

[Jelenski] Mr. Prime Minister, what has changed in your life from the time when you took over this office?

[Olszewski] What has changed is that, practically speaking, I have almost no private life. I am at home for few hours, and quite simply I sleep there. The person who bears the greatest costs of my holding this office is, of course, my wife and my friends, my closest ones. Well, too bad. This is the price that everyone pays in such a situation, everyone who takes over such a post. I think that with time, after this most difficult period, I will somehow be able to arrange things in a way that is more beneficial both for myself and for my closest ones.

[Jelenski] We are speaking in your office, in the office of the Council of Ministers. You allow yourself a certain moment of privacy, if only through the presence of a koala bear on your desk.

[Olszewski] That was an incredibly moving thing for me. In reply to some journalist's question about what I wanted under the Christmas tree, I naturally said a koala bear, and some couple, maintaining their anonymity, immediately came here and said they had such a bear, which they had brought from Australia, which they wanted to give it to the prime minister as a gift. They were very reluctant to meet me when I wanted to meet them, they wanted it to be anonymous, a gift of the heart, but I managed to somehow get through and met them here and spoke to them. That was really a very reinvigorating talk, as it was such an expression of a certain warmth, that [word indistinct] meets people who are very far from the issues we are talking about here, but who it is obvious in some way take part in these very difficult matters, which I have to solve and arrange here.

[Jelenski] As we are talking about cordialities, what wishes would you convey to residents of this country, for your compatriots?

[Olszewski] I would above all like us to have the feeling that if at the moment we are bearing—and the majority, the overwhelming majority of us are bearing—enormous sacrifices, the great majority of Poles have a very difficult life, that we have the awareness that it is a certain historical investment, an investment made not only in the further course of our life but made in the history of maybe the next 100 years of this country, that what is happening now, the coming months and years are going to be really, may be a turning point, which one day will be regarded as a moment, which took Poland out of a very long period of unhappiness, discrimination, and humiliation, on to a better path.

[Jelenski] You say that very beautifully. Thank you for the interview and I would like those words to be prophetic.

[Olszewski] Thank you very much.

Poll Shows Walesa 'Most Effective' Leader

LD2712161391 Warsaw PAP in English 1449 GMT 27 Dec 91

[Text] Warsaw, Dec. 27—Lech Walesa has exerted the biggest influence on the Polish life in the passing year, a public opinion poll conducted this month by a private research group called Pentor has shown. The respondents in the poll thought that President Walesa deserves the title of "the most effective Pole of 1991."

Admiration for the president was most common among the less educated people and those in lower income brackets. The better educated preferred former Prime Minister Jan Krzysztof Bielecki to Walesa, while those with university degrees pointed to former Deputy Prime Minister Leszek Balcerowicz as their favourite.

Asked what one should wish Poland in the coming year, 55 percent of the polled said "that it be governed by wise people," 24 percent said "that the threat of unemployment be removed," while 16 percent said "that the economic reforms succeed" and "that the future of our families and ourselves be assured."

According to the sociologists who analysed the poll, such wishes for 1992 point to "a decidedly passive attitude" of the respondents. The choice of wishes also reveals the "most important fears and anxieties of ordinary citizens."

Another recent poll shows that the Democratic Union (UD) remains the most popular political party in Poland. In a poll conducted by the OBOP centre this month and reported on by Friday's ZYCIE WARSZAWY newspaper, UD won support of 55 percent of the respondents (same as in November), ahead of the Solidarity of Labour (SP) with 44 percent (37 percent in November), the Solidarity Trade Union with 41 percent (45), and the Peasant Agreement (PL) with 36 percent (25).

Except for the UD, the remaining leaders fared unimpressively in the October 27 elections to parliament. By contrast, the Democratic Left Alliance (SLD) which won support of only 17 percent of those polled by OBOP, came second in the elections. Clearly "popularity" is something else than voter confidence.

Government Formation Ends 'State of Uncertainty'

AU2712145791 Warsaw RZECZPOSPOLITA in Polish 24-26 Dec 91 p 1

[Dariusz Fikus commentary: "Good News"]

[Text] There is a piece of good news at the bottom of the Christmas tree. We will be celebrating Christmas with a government elected by parliament. The 57 days of uncertainty and anticipation are behind us. That is good news, regardless of all the reservations and doubts that have been expressed. There is nothing worse than uncertainty. Uncertainty is something that the economy in particular

cannot put up with. A private entrepreneur will think things over several times before he invests money in an unstable country. The absence of a government is one indication of instability. External factor are not the only consideration. The atmosphere in the whole state apparatus as a whole also matters. The apparatus has been living in a state of uncertainty, and that is worse than a negative decision, than bad news, or even the dismissal of personnel.

Judging by what the president has said, he too was personally interested in seeing an end to the crisis caused by there being no government. How cooperation between the Belweder and the prime minister will work out is a matter for the future, and I do not think there would be any sense in speculating about it. The president and the prime minister have been clearly talking about the possibility of expanding the coalition. That is a very important matter. After all, a 17-vote majority cannot guarantee a stable government in the long term.

The government owes its success to the support of the Polish Peasant Party. The question is whether that support entails some far-reaching commitments. That is something that we do not know for the time being. It is an important matter, because the farmers entertain great hopes, but the means for realizing them are, in our opinion, modest. Minister Jankowski has a very difficult task ahead of him. It is one thing to attack the government from the opposition benches and quite another to shoulder responsibility oneself. Every radical step aimed at satisfying farmers' appetites will make itself felt in the marketplace, and a conflict between town and country threatens to have serious repercussions.

The government's economic program is not clear enough. We would like to know more. Commentators have pointed to the differences between the draft and final versions of the inaugural address. It is no longer a question of words, but of deeds. The question of the budget will, of course, be the acid test.

It is good thing that we will be taking our places at the Christmas Eve table with hope, that we have the first government to have been elected in free elections, that we will start the new year in a state that is functioning normally, and that our prospects are brighter as the great power in the East falls apart. As we share our Christmas Eve communion wafer, we will also wish the government success while, at the same time, declaring that we will compare words with deeds critically.

Sejm To Receive Bielecki State of Country Report

LD2912231991 Warsaw PAP in English 2022 GMT 29 Dec 91

[Text] Warsaw, Dec. 29—A report on the state of the country, prepared by the former government of Premier Jan Krzysztof Bielecki, and handed to the Sejm speaker and the new ministers, will be sent to the Sejm (lower house of the parliament) on Monday [30 December].

The document, numbering 180 pages, presents the state of Poland's relations with foreign countries, that of the external and internal security, economy, employment, wages and social issues, education and culture, environment protection and public administration.

Poland's Relations With Abroad

The following are the main elements of the former government's foreign policy:

- Negotiating and signing of the agreement on Poland's association with the European Communities (Dec. 16),

- Poland joins the Pentagonale group (July) and the Council of Europe (Oct. 26)

- Poland starts dialogue with NATO,

- Participation in the CSCE institutions and in negotiations on confidence building measures in Europe as well as participation in the United Nations activities and affiliated with it specialized organizations, especially cooperation with the World Bank, IMF, FAO, WHO and ILO,

- Dissolution of the Council for Mutual Economic Assistance (June 28) and the Warsaw Pact (July 1),

- Conclusion of a treaty with Germany (July 17) and other intergovernmental agreements,

- Signing of treaties with France and Germany as well as declarations with Great Britain, Belgium and Switzerland,

- Pursuing a two-way policy towards the east: Maintaining relations with the Soviet Union and the emerging commonwealth and, at the same time, with individual republics (Poland was the first foreign country to recognize on Dec. 2 the Ukraine as an independent state, declarations with Russia and Belarus, negotiation of a treaty with Russia and the Ukraine, trade and economic agreements with those states, recognition of Lithuania, Latvia and Estonia in August),

- Initialling of a treaty on the Soviet troops withdrawal (financial and legal issues connected with the Soviet army property left in Poland and the way of calculating compensations for ecological losses are still to be negotiated),

- Signing of treaties with Czechoslovakia and Hungary and cooperation within the "Triangle",

- Improvement of relations with Israel and the Republic of South Africa,

- Lifting of visa requirement to most of West European countries.

State of External and Internal Security

Basing on the system of European security was considered to be profitable to Poland. After the dissolution of

the Warsaw Pact Poland did not seek membership in NATO and was interested in political and military cooperation instead.

The government launched a reform of the state defensive system. The Council of Ministers had prepared a package of relevant bills and asked the Sejm to urgently examine them. The process of armed forces reforming is hindered by the lack of legislation transferring the Ministry of National Defence into a civilian-military body.

The manpower of the armed forces was reduced. At present it numbers 304,000 soldiers (career soldiers constituting 37 per cent). The adaptation of the army to European standards requires a radical technical modernization, the government, however, had to considerably cut the ministry's budget and limit the purchase of modern equipment because of the economic situation. Intervention steps were taken to the benefit of the home defensive industry.

The activity of several terrorist groups was stopped, channels of drugs, non-ferrous metals and alcohol smuggling uncovered. Legal proceedings were launched into the foreign debt servicing fund (FOZZ) scandal on the initiative of the Office for State Protection. Dishonest financial operations conducted by PKO BP bank and the National Bank of Poland and others with the participation of the "Art-B" company were revealed.

In 1991 the increase of crime was stopped, and even its fall was reported. Detectability rose and amounted to almost 49 per cent over the first months of 1991 (40 per cent in 1990).

Organized crime increased (armed gangs, smuggling, forgeries of securities, scandals).

Reorganization of the police structures was launched, personnel changes in the prosecutors office continued and principles of functioning of courts and notariates were amended.

Protection of borders is ensured by a new formation created this year—the border guard. 9,220 people were apprehended for attempted illegal crossing or for actual crossing of the border (3,620 over the first half-year, that is 317 per cent more compared to the first six months of 1990).

Offences were commited by citizens of 41 countries, including nearly 5,400 Romanians and 1,400 Poles. The total value of contraband seized at the borders amounts to 4.3 billion zlotys (about 370 thousand USD).

Economy

The government managed to consolidate the convertibility of the zloty, balance the domestic market, eliminate lines and offer better assortment of goods and services.

Inflation fell from 2,000 per cent in the second half of 1989 to 250 per cent in 1990 and 70 per cent this year. The population's real incomes will be bigger in 1991 than last year.

Real pays reached the level of 1987 alongside much better market supplies. In the first half of 1991 consumption rose to the level of 1989.

At the end of October enterprises owed to the state budget 22 trillion zlotys (about 2 billion dollars) of overdue taxes. At the same time state expenditures on social insurances increased while those on the budgetary sector decreased, this being caused by the danger of losing control over state finances.

This year's budget deficit will amount to 31 trillion zlotys (about 3 billion dollars) instead of planned 4.3 trillion zlotys (about 400 million dollars).

Free currency exports are on the increase, to be bigger by 55-60 per cent than in 1989. On November 30 hard currency reserves climbed to over 6.4 billion dollars (the level of 6-month imports).

The realization of the economic programme made it possible to sign an agreement on the reduction of foreign debt by 50 per cent. At present it reaches 45 billion dollars. If the agreement is fully implemented, the debt will reach 25 billion dollars in April, 1994. It is estimated that Poland will repay annually 0.5 billion dollars to government creditors in 1992-93 and 0.9-1.5 billion dollars in the next years of this decade.

High rises of prices for production equipment and low procurement prices resulted in a decrease in real incomes of farms.

Despite a collapse in trade with former COMECON countries, caused by the end of accountings in transfer rubles, Poland's free currency exports will rise from 8.5 to 13-13.5 billion dollars in the years 1990-91.

High social costs of economic changes—recession, unemployment—were deepened by ineffective management in state enterprises. Unclear prospects of ownership transformations, high and changing bank rate, changes in demand and prices, smaller access to eastern market made state enterprises assume a passive attitude. They also displayed low quality, uncompetitiveness and low profitability of production.

Recession in the state sector contributed to a decrease in the gross national product by 11.6 per cent in 1990 while this year it will reach 7-8 per cent.

The private sector developed dynamically with some 600 thousand new economic units being set up and 1.6 million jobs being offered. Industrial production in this sector increased by 20.3 per cent in nine months of 1991 and constitutes 22 per cent of the entire production now.

Growing foreign investments in Poland were manifested by the setting up of over 3,500 joint ventures between January, 1989, and October, 1991, with the joint capital reaching over 680 million dollars. Also, companies were

formed that were owned by big foreign corporations, Coca-Cola, Levi-Strauss, Johnson and Johnson among others. Foreign firms bought big stakes in first privatised state enterprises.

Unemployment, Pays and Social Issues

Unemployment is on the increase. At the end of November it climbed to 2,145,000.

A ratio between the average disabilty and old age pension and the average pay increased from 55.8 per cent in 1990 to 62 per cent in three quarters of this year.

Health Service

Society's health condition was much worse than in highly developed countries, this being manifested by high mortality rate (1,004 persons per 100,000 Poles, that is more by 25 per cent than three years ago), decreasing longevity (to 66.8 for men and 75.7 for women), high infant death rate (19 per 1,000).

In 1991 the budget of health service reached 41.7 trillion zlotys (some 4 billion dollars), that is 110 dollars per one citizen.

Environment Protection

Poland belonged to a group of most polluted countries. One third of its citizens lived in ecologically threatened areas, and Lower Silesia was regarded to be the most polluted region in Europe. Annual material losses caused by pollution are estimated at 5-10 per cent of the national income.

The biggest threats are planned to be liquidated in 3-4 years and pollution is expected to be reduced by half in 10 years.

Education, Science and Culture

25.9 trillion zlotys (some 2.3 billion dollars) from the budget were not enough for the educational sector which had to reduce employment and cut classes at schools.

Also insufficient was the budget of 6.5 trillion zlotys (some 590 million dollars) of higher education. Further reduction by 36 per cent will prevent higher schools from covering costs of the maintenance of their buildings.

The 35 per cent reduction in the second half of this year of subsidies for culture ended in smaller spendings on festivals, foreign trips, conservation of monuments.

Public Administration

Subsidies for communes were reduced by 12 per cent, that is 900 billion zlotys (some 82 million dollars), which may worsen their financial situation.

Ombudswoman: Little Improvement in Citizens Rights

LD2712171791 Warsaw PAP in English 1612 GMT 27 Dec 91

[Text] Warsaw, Dec. 27—The annual report presented to parliament by Ombudswoman Ewa Letowska says that she noticed hardly any improvement in the work of state and local administration bodies regarding their treatment of the rights of citizens. Despite the transition to a market economy, Poland has so far failed to develop the necessary forms of protecting weaker groups of society, including consumers, cooperatives, rent payers, Letowska maintains in the 1991 report. "We must apply the West European standards" in this field, she adds.

The administration confines itself to avoiding outright infringements on the rights of citizens, but it does not show the understanding of what is not just legal but also decent and honest, the ombudwoman says.

According to Ms Letowska, the persistent recurrence of the same mistakes in decision making by various administration bodies is caused by the appalingly low qualifications of civil servants. She thinks that also in future this will be the main cause of disrespect for the rights of citizens.

In letters addressed to her in 1991 prominent place has been occupied by issues such as unemployment, growing rents, pensions, inability to repay loans drawn before 1990. They reflect the growing fears of Poles threatened with losing the welfare sefety net existing to date. The ombudswoman received 127,000 letters during four years of her term, but 80 percent of this total concerned issues that were outside the scope of her statutory mandate.

The new ombudsman will be elected by parliament from among candidates submitted by January 10.

Opinion Poll Shows Democratic Union Ranks First

LD2712151291 Warsaw PAP in English 0935 GMT 27 Dec 91

[Text] Warsaw, Dec. 27—As the daily "ZYCIE WARSZAWY" informed on Friday, the Democratic Union came first on the Public Opinion Polling Centre's (OBOP) latest ranking list; 55 percent of the polled are in favour of the union, while 11 percent are against it. The Party "X," in turn, has the biggest number of opponents (56 percent) and only 7 percent of supporters.

Since November the rankings of the Solidarity of Labour (SP), the Polish Party of Friends of Beer (PPPP), the Peasant Agreement (PL) and the Democratic Left Alliance (SLD) have notably improved. The Christian National Union (ZCHN) has lost in popularity, which may be attributed to the fact that the party came back to its old name which for the time of the parliamentary

elections of October 27 had temporarily been replaced by a more attractive name—the Catholic Electoral Action (WAK).

For whom would the polled vote today? The Democratic Union would get 19 percent of votes, the Confederation for Independent Poland (KPN)—7 percent; Solidarity, the Liberal Democratic Congress (KLD) and the Democratic Left Alliance would get 5 percent each; the Polish Peasant Party (PSL)—3 percent; and the Christian National Union—2 percent.

The poll was conducted by the OBOP on December 9-10 among 871 people chosen at random.

Ukraine Envoy on Nationalist Border Claims

LD2712184791 Warsaw PAP in English 1709 GMT 27 Dec 91

[Text] Warsaw, Dec. 27—The Ukrainian Government representative in Poland described as "a noisy group of young nationalists" the Ukrainian organisation which recently claimed that the Ukraine's ethnic lands expand beyond their country's present borders.

Asked to comment on a resolution adopted by the Ukraine's State Independence Organisation which said Polish territories are among Ukrainian ethnic lands outside their country's borders at present, Teodozy Starak told PAP Friday that "several small but noisy groups of young Ukrainian nationalists are now active in Kiev and Lvov. They are not a political force of any importance and their declarations cannot do harm to Polish-Ukrainian political relations."

The Ukraine's State Independence Organisation, which considers itself an ideological successor to the Organisation of Ukrainian Nationalists, said at its congress in Lvov recently that ethnic Ukrainian lands comprise territories which today are part of Poland, Moldavia, Russia and Belarus. The group's chairman, Ivan Kandyba, however said his organisation's intention is not to raise any territorial claims but restore what he termed as historical truth and set up cultural contacts with their countrymen across the border.

Croatia, Macedonia Attempts To Buy Arms Confirmed

LD3012094191 Warsaw Radio Warszawa Network in Polish 0700 GMT 30 Dec 91

[Text] GAZETA WYBORCZA carries an extensive article on Croatian and Macedonian attempts to purchase arms in Poland. Citing a conversation with a high ranking official of one of Polands' ministries, the paper writes that not a single haul of arms for Yugoslavia's warring sides left Poland. The paper said that it was not ruled out that agency reports on Polish arms being smuggled to Yugoslavia aimed to discredit Poland as a partner for the West on the eve of Poland's access to the most complicated military technology. However, the representative of one of Poland's ministries confirmed that Croatia and Macedonia tried to purchase military equipment in Poland. The transactions could not be implemented only because they were blocked in time by Poland's special services.

Iliescu Responds to Petre Roman's Open Letter

AU2712173091 Bucharest ROMPRES in English 1525 GMT 27 Dec 91

[Text] Bucharest ROMPRES, 27/12/1991—In a communique sent to the national news agency ROMPRES, the press bureau of the president of Romania refers to the content of the "open letter" sent to President Ion Iliescu on December 13 by Petre Roman, the national leader of the National Salvation Front [FSN].

The press bureau of the presidency considers Mr. Roman's refusal to accept President Ion Iliescu's proposal for "a dialogue conducted in a spirit of political responsibility" as "unusual in the relationships between the head of state and the leader of the ruling party in any civilized state."

The communique shows that "the most serious insinuation—which is untrue as it is irresponsible" is Mr. Roman's statement that in August the president took stance against the government communique unequivocally blaming the communist putsch in Moscow. Such a statement "is strange, to say the least," the communique reads, showing that there were no fundamental differences between the communique issued by the country's Supreme Defence Council, which gathered right after the coup under the chairmanship of President Iliescu, the statements made by the president and the statement of the government, Romania being among the first countries to take attitude towards the events in Moscow.

The communique also rejects Mr. Roman's statement according to which the reception by President Iliescu of a delegation of miners in September meant his capitulation. In that tense situation that was "the only solution to lessen the state of conflict," which was subsequently appreciated as such by all politicians, irrespective of their orientations. Moreover, the press bureau of the presidency wonders: "Was it desirable to resort to force, as Mr. Roman suggested, which could have resulted in irrecoverable casualties and damage?"

The attempt of Mr. Roman and of his followers at the newspaper "AZI" to present the former premier as a "victim" of an anti-Roman campaign inspired by the president is considered as "unacceptable and devoid of loyalty." The resignation of a government, at a time of crisis is something normal in any democratic regime, the communique shows.

The communique also shows that the programme of reforms, of demolishing the structures of the totalitarian state started as early as the night of December 22, 1989, when the National Salvation Front Council abolished those structures and outlined the strategic lines for the renewal of the Romanian society and not only through the government programme which the former premier submitted to Parliament on June 28, 1990. The aggregate of laws behind the reform process and the transformation of a bankrupt economy into a market economy are the works of all political forces represented to Parliament and of the National Salvation Front, as the majority party, in the first place.

The only positive element in Mr. Roman's letter, the communique shows, is the idea of the need to work out "a new programme for the country's complete recovery." This should have been the fundamental concern of all responsible political groupings and all politicians.

In conclusion, the communique reiterates President Ion Iliescu's willingness to conduct a dialogue with all political forces, as well as his refusal to get involved in a personal, sterile polemic, which is detrimental to the domestic political climate, all the more so now when everyone's efforts should concentrate on overcoming existing difficulties, on stability and the achievement on national concord.

Stolojan Meets With Moldova's Muravschi

AU2812145291 Bucharest Radio Romania Network in Romanian 1100 GMT 28 Dec 91

[Text] Talks between the government delegations of Romania and Moldova began in Husi [eastern border area] this morning. The delegations are headed by the two prime ministers, Messrs. Theodor Stolojan and Valeriu Muravschi.

The Romanian delegation includes Mr. Adrian Nastase, minister of foreign affairs; Mr. Teodor Melescanu, state secretary at the Ministry of Foreign Affairs; Lieutenant General Niculae Spiroiu, minister of national defense; Mr. Constantin Fota, minister of trade and tourism; Mr. Mugur Isarescu, governor of Romania's National Bank; Mr. Mihai Pinzariu, director of the General Customs Directorate; Mr. Ovidiu (Nata), state secretary at the Ministry of Agriculture and Food Industry; and Mr. Nicolae Nicolescu, vice president of the oil corporation.

The delegation of the Republic of Moldova includes Deputy Prime Minister Andrey Sangheli; Mr. Nicolae Tiu, minister of foreign affairs; Mr. Constantin Iavorschi, minister of natural resources; Mr. Gheorghe (Epros), president of the Commission for Economic Reform; Mr. Leonid Talmaci, president of the Moldovan National Bank; Mr. Gheorghe Sioara, general director of the Customs Directorate; Mr. Ion Sofroni on behalf of the Press Department of the Government of the Republic of Moldova; and Professor Paul (Bran), rector of the Academy of Economic Studies of Chisinau [Kishinev].

Asked by Radio Romania News Station, Messrs. Theodor Stolojan and Valeriu Muravschi made short statements prior to beginning their talks. We will now present the statement made by the prime minister of Romania:

[Begin Stolojan recording] First, such meetings have to take place regularly from now on, that is, they should not be something out of the ordinary. We have to meet quite frequently, at least once each quarter, to examine what we should do, so that economic relations between the

two countries may develop in accordance with the expectations of our two countries. For, as you see, the transition process in our country is difficult and in their country this transition will also be difficult. There is no easy way to proceed from what existed before to democracy and a market economy. We already have two years' experience on this road. We know what we did wrong and what we did right. They are beginning this process now. We understand that on 2 January there will be a first move toward price liberalization in Moldova. Thus we will exchange experience on these subjects. Then, Moldova has to establish relations with the other countries that have left the former Soviet Union. As you can see, there are enough subjects to discuss and to exchange opinions on. However, what is more important is the fact that, by continuing along this line in the future, we have to intensify economic relations, not to mention cultural and spiritual relations which are based on our common language and feelings. The fact that our border can be crossed on the basis of an identity card is something that has to be organized. Anyhow, this is a beginning; everything has to be thought out. [end recording]

Now the statement made by Mr. Valeriu Muravschi.

[Begin Muravschi recording] Today's meeting with Romania's prime minister is taking place at my request. First, I wanted to inform Mr. Stolojan about certain events that have taken place in the former Union and about the consequences and prospects that arise in this connection. Second I wanted to discuss problems linked to the achievement of the inter-government accord that was signed last summer, as you know, by the prime minister of Romania and the prime minister of the Republic of Moldova.

In our view, additional possibilities have emerged for speeding up the integration process—economic, financial-banking, trade, not to mention cultural, scientific, educational, and so forth. The aforementioned accord envisages all these aspects of cooperation, but in each stage there are problems, and this is why I believe that these working meetings' purpose is—and I am convinced that we will succeed—to seek necessary solutions to speed up this integration process. [end recording]

Communique Released

AU2812171891 Bucharest ROMPRES in English 1626 GMT 28 Dec 91

[Text] Bucharest ROMPRES 28/12/1991—A working meeting took place on Saturday morning at Husi, Vaslui County, between Romanian Prime Minister Theodor Stolojan and Valeriu Muravschi, prime minister of the Republic of Moldova.

The communique released at the end of the talks shows that the delegations led by the two premiers surveyed the main questions related to the cooperation in various domains of mutual interest between Romania and the Republic of Moldova both from the point of view of what had been established in Bucharest during the meeting held on November 2 and from the perspective of expanding bilateral links.

Mr. Stolojan and Mr. Muravschi informed one another about the concerns of the two governments in connection with the application of the measures enforcing economic reform, democratization and the transition to a free market.

The prime minister of the Republic of Moldova Valeriu Muravschi set forth aspects related to the understandings concluded in Alma Ata.

As an expression of the joint wish to provide a framework for the assertion of normal feelings as regards the strengthening of the links between the two Romanian states, an analysis was made during the talks of the possibility that the two sides conclude an accord on fraternal and cooperative relations.

A number of tangible aspects regarding bilateral cooperation made the object of talks during separate meetings at the level of the ministers that made up the two delegations.

Governmental factors and representatives of the customs authorities agreed to examine the possibility of creating a free zone between Romania and the Republic of Moldova.

Also surveyed were modalities of stimulating the carrying into effect of the trade accord and of the understanding on goods exchanges between Romania and the Republic of Moldova, on the expansion of cooperation in various areas such as agriculture and tourism.

Both sides agreed that the working meetings at the level of the two heads of government take place periodically allowing for a systematic approach to common issues in the presence of relevant executives.

Article Considers FSN Internal Division

AU2712185891 Bucharest ROMANIA LIBERA in Romanian 20 Dec 91 p 2

[Florin Gabriel Marculescu article: "Different Masks, the Same Faces"]

[Excerpts] For some time, the Romanian political arena has been dominated by internal conflicts marring the apparent unity of the ruling party as the leaders of this strange political amalgamate are undermining their mutual positions. It seems that the dispute is intensifying the closer we get to the local, legislative, and presidential elections. Iliescu and Roman do not even try to maintain a facade of civilized political conduct. Their old and, for a long time, well-concealed differences have become the subject of public scandal. Goaded by his limitless vanity, the president did not hesitate to get involved in all the scenarios staged by obscure forces and to assume responsibilities belonging to the authority of the penal code, solely for the sake of tasting (with tremendous delay) the

short-lived yet dangerously reversible glory of the presidency. Even if he wanted to, he can no longer afford the luxury of withdrawing in peace and quiet. Who knows? Thirsty for power as we know him, he may not even consider such a possibility. In the sphere of executive power, however, he encountered the ambitions of the one whom he raised ex-nihilo [as published] to the position of prime minister, probably imagining that he would be able to control him as he pleased.

Lo and behold, however, the relatively young, "docile," and certainly inexperienced Petre Roman launched himself in the fascinating game of politics with (Iberian) passion, and in turn, being infatuated and ambitious, fell prey to the temptations of power imagining and telling those with time to listen to him that he had been predestined for a political career. The ease with which Ion Iliescu removed him as head of the government drove him mad and, falling prey to his instincts, Roman started a genuine vendetta. The economic disaster he caused because of his gross incompetence and extensive corruption is of no great interest to him and he does not even deem it fit to justify his public recklessness. Now he poses as a champion of democracy and a full-blooded reformer, but his words are swept away by the wind. Apart from his wooden language, he did not take any steps to convince us that he is able to go beyond the boundaries of demagogy. He rages against the nomenklatura, forgetting that he himself belongs to those who used to enjoy the tremendous privileges of the communist aristocracy. His credibility is diminishing visibly the moment his close aides are Ion Aurel Stoica, Adrian Severin, Mihai Caraman, and so forth, that is all the genuine nomenklatura or Securitate members. Unlike the rigid Iliescu, the national leader of the National Salvation Front [FSN] is relaxed, dynamic (the president should be grateful to him for his services after the miners' incursion in June 1990), and acquainted with the realities of the Western world. In addition, he has the advantage of having charisma, which he fully exploits, thus making people believe in the angelic lies he tells without turning a hair. [passage omitted]

There is the risk that this dispute will split the FSN into two or even three factions. Iliescu's camp includes the hardliners, those who want to preserve communism with as little change as possible: Barladeanu, Martian, Vacaru, and the others. Roman's camp is made up of the younger nomenklatura who, without any qualms, are ready to renounce communist dogmas, but like the former, it never occurs to them to truncate the privileges of the mafia. The differences between them are not in substance, but in form. [passage omitted] Aside from personal ambitions, nothing separates the old ones from their young successors. This is also obvious from the eulogies both sides are voicing in connection with a Constitution which, while ignoring the requirements of the state of law, enables those in power to disregard the law and let themselves be guided by their whims. The sole aim of the reform is to subjugate our people once again through misery and insecurity.

Despite all this, the Front is inevitably falling apart. Lacking political color and structures in the democratic sense of the word, the Front has, in fact, not existed as party. As a ring-shaped life-buoy of communism, the FSN has been and continues to be the representative of the interests of the administrative bureaucracy and a conglomerate which cannot be defined except through the convergence of corruption. Guilty of the darkest squalor into which it has pushed us, the National 'Disaster' Front is trying to wipe out its traces and refurbish its electoral image. How best can it achieve this but by splitting into two or three apparently competing movements, while, in actual fact, it is proceeding along the same line as before. The bleeding of the electorate has to be stopped at all costs. Different masks, the same faces. We have no shortage of scenario writers.

Methane Gas Shortage Affects Fertilizer Sector

AU3012104391 Bucharest ROMPRES in English 0904 GMT 30 Dec 91

[Text] Bucharest, ROMPRES, 30/12/91—The shortage of methane gas mainly affects the chemical fertilizers sector, which is now operating at 35 per cent of its capacity, informed Deputy Director General Stelian Banateanu of the Ministry of Industries.

Most of Romania's internal natural gas resources are being used for power generation, therefore the chemical industries have little prospects for the supplies they need.

A full capacity operation of amonium plants would yield 4.4 million tonnes of amonium and, implicitly, 4.2 million tonnes of fertilizers, that is a 420 kilos share of fertilizers per hectare (2.5 acres).

Consequently, agriculture should expect an unsatisfactory quantity of the so badly needed fertilizers in the first quarter 1992.

International

Kostic Receives Russian Ambassador Shikin 27 Dec

LD2712164991 Belgrade TANJUG Domestic Service in Serbo-Croatian 1505 GMT 27 Dec 91

[Text] Belgrade, 27 Dec (TANJUG)—Dr. Branko Kostic, vice president of the SFRY Presidency, today received Gennadiy Serafimovich Shikin, ambassador of the Russian Federation to the SFRY, at the latter's request.

Ambassador Shikin informed Vice President Kostic that the Russian Federation is taking over the international-legal continuity of the Soviet Union.

SFRY Presidency Vice President Dr. Branko Kostic stressed that, taking note of the agreement between the top representatives of the Soviet republics on the formation of a Commonwealth [zajednica] of Independent States and in view of the decisions of the USSR Supreme Soviet and of the USSR president, the SFRY confirms the continuity of interstate relations and takes cognizance of the fact that all USSR rights and commitments concerning international cooperation will be fulfilled by the Russian Federation.

Yugoslavia sees lasting reciprocal interest in further comprehensive friendly cooperation between all Yugoslav peoples and all the peoples in what was the USSR, stressed Vice President Kostic.

Presidency Confirms Continued Ties With Russia

LD2712190791 Belgrade TANJUG Domestic Service in Serbo-Croatian 1754 GMT 27 Dec 91

[Text] Belgrade, 27 Dec (TANJUG)—Today's session in the Palace of the Federation was presided over by Vice President Branko Kostic and was also attended by Slobodan Gligorijevic, president of the SFRY Assembly; Aleksandar Mitrovic, vice president of the Federal Executive Council; Petar Gracanin, federal secretary for internal affairs; Admiral Stane Brovet, deputy federal secretary for national defense; Slavoljub Stanic, deputy federal secretary of finance; Colonel General Nikola Cubra, an under secretary in the Federal Secretariat for National Defense; and Zoran Jelic, director of the Federal Institute for the Advancement of Federal Administration.

A statement that was issued says that at the same session the SFRY Presidency was informed that the Russian Federation has assumed the international legal continuity of the Soviet Union and all international rights and obligations of the former USSR.

The SFRY Presidency confirmed the continuity of interstate relations between the two countries and asked the Federal Secretariat for Foreign Affairs to examine in the shortest possible time all issues arising from the Constitution of the other independent states out of the former Soviet republics which will enter the Commonwealth of Independent States and to recommend to the FEC an appropriate stand in connection with their recognition on the part of the SFRY. After this the SFRY Presidency will adopt the appropriate decisions.

At today's session the SFRY Presidency established its opinion in connection with the questions of the Arbitration Commission of the conference on Yugoslavia on whether the internal demarcation lines between Croatia and Serbia and between Serbia and Bosnia-Hercegovina are in accordance with international law, and assessments on the views of the republics on the right to self-determination of the Serbian nation in Bosnia-Hercegovina and Croatia.

FEC Vice President Aleksandar Mitrovic and Deputy Federal Finance Secretary Slavoljub Stanic briefed the SFRY Presidency on current issues of the financing of the Federation in 1992, particularly outstanding issues in this connection.

At a session today the SFRY Presidency issued a decree bestowing the Order of Meritorius Services to the People With Golden Star to the Red Star football club of Belgrade for exceptional sports results at home and abroad and for winning the European club championship and the Intercontinental Cup as well as for its contribution to developing and promoting sports.

The SFRY Presidency also awarded the same order to Ivan Osim for his lengthy creative work with the the Yugoslav football team and his exceptional contribution as the Yugoslav national team's coach to its successes and for promoting Yugoslav football, in general.

Federal

Presidency Requests UN To Assess EC Activities

LD2712191191 Belgrade TANJUG in English 1745 GMT 27 Dec 91

[Text] Belgrade, December 27 (TANJUG)—The Yugoslav State Presidency today addressed a request to U.N. Secretary-General Javier Perez de Cuellar to personally assess the "activities of the European Community and some individual states" in connection with the Yugoslav crisis and whether it would be "justified if the United Nations were... to steer the further course of the peace process."

The Yugoslav Presidency letter, signed by the Vice-President Branko Kostic, said that the steering would be justified and expedient.

The Yugoslav Presidency letter said that the "conference on Yugoslavia in The Hague has lost the necessary credibility and trust in its objectivity in seeking a way out of the crisis."

Thus, the letter added, "broader efforts, particularly on the part of the United Nations Organization, are essential for it to be restored."

The establishment of peace and the finding of a solution to the Yugoslav crisis would be significantly facilitated by the earliest possible deployment of United Nations peace forces, said the letter.

It went on to say that "Yugoslavia today is going through the most difficult moments of its history," that internal and external pressures have called in question the possibility of Yugoslavia's functioning as a state.

The Yugoslav Presidency said that "the involvement of the European Community so far, which offered its good services in addressing the current crisis in Yugoslavia," "gradually became interference in Yugoslavia's internal affairs, support to secessionism, in contravention of international law indeed of their own positions and public commitments."

The EC "did so notwithstanding the positions and warnings coming from the Security Council and you personally", the Presidency letter said, recalling that "these messages expressly required of all countries to refrain from activities which might contribute to a mounting of tensions."

"Rather than extend its declared assistance, the European Community introduced economic sanctions on Yugoslavia, to subsequently apply them on a selective basis to only some Yugoslav republics, indeed those which are advocating the survival of Yugoslavia," the letter said, adding that the Presidency considered such measures, "as they are unilateral and in fact an ultimatum," unacceptable since "they only aggravate the existing conflicts."

"Yugoslavia does not wish to exclude the European Community from the peace process," the Yugoslav Presidency letter said. It added that the engagement of United Nations peace forces in Yugoslavia was "the most efficient way for establishing the so badly needed peace and security for all the citizens and nations of Yugoslavia."

The Presidency informed Perez de Cuellar that it "assessed as particularly unacceptable the European Community declaration of December 17, 1991 on the recognition of Yugoslav republics as sovereign states."

The European Community "position amounts to direct interference in the internal affairs of a sovereign country, total disregard of its constitutional order, and overt support to secessionist acts," as well as negation of the international personality of Yugoslavia, a founding member of the United Nations, the letter said.

The Yugoslav Presidency assessed that the decisions of the European Community Council of Ministers also "constitute a flagrant violation of the United Nations Charter, of the final CSCE act, of the Charter of Paris, as well as of other relevant acts of international law."

The Presidency believes that the Brussels declaration of the European Community will only "further aggravate the existing conflicts and differences and spread them to other parts of Yugoslavia as well, which may jeopardize security in the region on a broader scale."

The Yugoslav State Presidency expressed hope that Perez de Cuellar would personally intervene to that end with the new Secretary-General Boutros Boutros Ghali, so that the tragic course of events in Yugoslavia might be arrested.

Kostic Affirms Need for UN Troops To Intervene

LD2712223691 Belgrade TANJUG in English 1925 GMT 27 Dec 91

[Text] Belgrade, December 27 (TANJUG)—Vice-President of the Yugoslav Presidency Branko Kostic said today, that the stand of the collective head of state was that the engagement of a United Nations peacekeeping force "was, at this moment the best solution" for Yugoslavia.

In talks with a delegation of Serbian Orthodox Church priests from the Yugoslav Republic of Croatia, Kostic specified that the task of the blue helmets would be to create conditions for ending war conflicts and seeking a political solution to the Yugoslav crisis [words indistinct].

"This does not suit the Ustashi-like authorities in Croatia," said Kostic and warned that the Croats "would do all, with foreign aid, to return the territories which the Serbs [word indistinct].

Three Serbian episcopes from Croatia—the Episcope of Dalmatia His Excellency Nikolaj, the Episcope of Slavonija His Excellency Lukijan and the Episcope of Upper-Karlovac His Excellency Nikanor, expressed the fears and problems of Serbs living within the administrative borders of Croatia, as announced.

The priests asked Kostic what would happen to the Serbs living in Croatia and to their property in the event that the Yugoslav People's Army were to withdraw from Croatian territory because of the arrival of the blue helmets.

Kostic confirmed the Yugoslav Presidency's commitment to protect Serbs in those regions where they "are exposed to aggression."

Kostic Speaks on Issues for Upcomimg Convention

LD2912192491 Belgrade TANJUG Domestic Service in Serbo-Croatian 1740 GMT 29 Dec 91

[Text] Titograd, 29 Dec (TANJUG)—The convention on Yugoslavia is expected to confirm once again that more than 13 million citizens of the present Yugoslavia definitely wish to preserve the continuity of this community and go on living together, Dr. Branko Kostic, vice president of the SFRY Presidency, said on Radio Montenegro today.

Commenting on the forthcoming convention on Yugoslavia, Kostic said he assumes that the basic starting principle of the declaration to be adopted during the meeting will be equality of the republics, nations and

citizens in a joint state. This means, he added, that all the republics, nations and citizens interested in living in a new Yugoslavia should find their interests in this new state so that in no instance can their rights be threatened, on the basis of whether in this joint state they are smaller or bigger, and of whether they are members of this or that nation or religion.

"The proposition for a new Yugoslavia is that the nations and the republics which at this point of time have not acquired the conditions to become an independent state could remain in this new Yugoslavia without prejudice and without these nations and republics being denied the right to possibly secede from it later on the basis of a will freely expressed through referenda," Kostic stressed.

Regarding the status of the Serb Krajinas in Croatia, the vice president of the SFRY Presidency said that this status would depend on whether the Yugoslav crisis is resolved in a peaceful manner. If we succeed in engaging UN peace forces, it will, no doubt bring an end to the war, Kostic said. An important aspect of such a peace process is the need to keep the peace forces in the area until a suitable political solution is found to define the status of the people there. This implies that, once the situation stabilizes, a plebiscite would be held. The Serb people would probably reiterate for the third time their desire to stay in Yugoslavia which, according to Kostic, should be translated into practice.

If, however, there is no peace process and the armed clashes continue and if we are forced into a long war of attrition, we should quite seriously think about recognizing the newly constituted Republic of Serb Krajina, Dr. Branko Kostic said in conclusion.

Constitutional Court President on Legality of State

LD2712221191 Belgrade TANJUG in English 2009 GMT 27 Dec 91

[Text] Belgrade, Dec 27 (TANJUG)—President of the Yugoslav Constitutional Court Milovan Buzadzic today said that, under international law, Yugoslavia should exist for as long as at least two of its republics want to remain in it.

Justice and truth play a smaller role than capital and force in the world today, as Buzadzic told a news conference here today.

Those who did not want Yugoslavia destroyed the Constitution, Buzadzic said, adding that all republics have created complete legal systems which are totally separated from the federal one. Federal organs no longer have any authority, to which they themselves have contributed, Buzadzic set out.

He said that the Constitutional Court decisions were not respected, and the executive organs did nothing to implement them, although the court had for several times warned of possible consequences, Buzadzic said.

Chamber of Republics, Provinces Adopt '92 Budget

LD2912141391 Belgrade TANJUG Domestic Service in Serbo-Croatian 1246 GMT 29 Dec 91

[Text] Belgrade, 29 Dec (TANJUG)—The Yugoslav Assembly's Chamber of Republics and Provinces today adopted a law on the overall 1992 federal budget to the tune of 320.1 billion dinars. Funds for the overall federal budget will be obtained from the federation's revenue, contributions of the republics and provinces, and the largest part from credits given by the National Bank of Yugoslavia. The federation's revenue will be 20.6 billion dinars, contributions of federal units 70 billion dinars and credit from the National Bank will be 229.5 billion dinars. The Yugoslav People's Army is earmarked 245 billion dinars, 33.5 goes for the work of federal bodies, 26.3 for invalid and veteran fund, and 7 billion dinars is earmarked for a special refugee fund.

Serbian, Macedonian Presidents Discuss Relations

AU2712145991 Belgrade Radio Belgrade Network in Serbo-Croatian 1400 GMT 27 Dec 91

[Text] We have just received a statement from the talks held between the Serbian and Macedonian delegations. The statement is very brief. It states that the presidents of Macedonia and Serbia, Kiro Gligorov and Slobodan Milosevic respectively, today met in Ohrid, and that the talks were attended by Stojan Andov, president of the Macedonian Assembly; Vasil Tupurkovski and Borisav Jovic, members of the SFRY Presidency from Macedonia and Serbia respectively; and Vladislav Jovanovic, minister of foreign relations of the Republic of Serbia.

What us journalists were mostly interested in is contained in the following sentence: The two delegations discussed relations and cooperation between the two republics and ways of resolving current problems in the Yugoslav crisis.

Replacement of Old Dinar Banknotes Begins

LD2612170391 Belgrade TANJUG in English 1323 GMT 26 Dec 91

[Text] Belgrade, December 26 (TANJUG)—There are big crowds of people this morning in branch offices of the Social Accountancy Service (SDK) of Belgrade. They have rushed to replace old dinar banknotes with new ones.

Post offices in the heart of the city still have not received new banknotes. The authorities point out that banks will be open on Saturday and Sunday [28, 29 December] as well, and urge the population to deposit their money on their checking and savings accounts so as not to create big crowds in post offices, banks and branch offices of the SDK.

The National Bank of Yugoslavia, Governor Dusan Vlatkovic said, has prepared 80 billion dinars (around 6.2 billion German marks under the official rate of

exchange or 1.2 billion marks under the rate of exchange used by business banks) in ready money in denominations of 100, 500, 1,000 and 5,000 dinars. This is one-third less than the current amount of cash circulating in the Republics of Serbia, Montenegro, Bosnia-Hercegovina and Macedonia, where the Yugoslav dinar remains a means of payment.

The citizens of these republics will be able to replace their money for new bills by December 31. After this date, money will be exchanged only for people who were abroad or mobilized by the Army at the present time, or who were prevented from replacing their money for other justified reasons.

The governor of the National Bank of Bosnia-Herzgovina Hajra Balorda said last night that sufficient quantities of new banknotes had arrived in Bosnia-Hercegovina. Money can be replaced on time, she said, and the economy and citizens of this republic will be protected from dinar banknotes from Croatia, which issued its own currency on Monday [23 December]. [Words indistinct] to replace old banknotes for new ones as of this morning, and the banks are strictly abiding by the decision of the board of governors of Yugoslavia that only cash up to 30,000 dinars can be replaced.

The Interior Ministry of this republic has issued a statement in which it warns that large quantities of money from other republics has arrived in Macedonia these days.

Representatives of the National Bank of Yugoslavia have indicated that Slovenia, which introduced the tolar as its national currency on October 8, returned only 6 billion dinars of the 27 billion it owes, so that the remainder of the dinar debt has been converted into hard currency and amounts to around 975 million dollars which Slovenia will have to return to Yugoslavia.

The dinar debt of Croatia is estimated at 47 billion dinars by the National Bank of Yugoslavia, and if this sum is not returned Croatia will have to pay 2.3 billion dollars instead.

Division of Property, Foreign Debt Examined

92BA0242B Belgrade POLITIKA in Serbo-Croatian 5 Dec 91 p 12

[Article by Stana Ristic: "The Seizure of Property Has Already Begun"]

[Text] The final distribution in Yugoslavia, according to some people, ought not to be mentioned for the present, because we still do not know what will happen in our region. At the same time, it has already been made public that the Slovenes are doing detailed calculations for the final distribution. That would not be an occasion and imperative for the other republics to do so were it not known that the "final distribution," or, better stated, the seizure of federal property, has already begun. Slovenia, for example, has already occupied and taken over customs facilities at border crossings, the garrisons, facilities, and equipment of the Yugoslav People's Army [JNA], it has seceded monetarily and introduced its own currency, and it is not paying taxes to the federation.... Nor is Croatia paying its obligations.

The federation, incidentally, is meeting the obligations of the state and paying off joint debts and interest. But money is also being spent to meet other obligations. Large amounts are involved. For example, the country's foreign exchange reserves have in less than a year decreased from $10 billion to the present figure of only $3.8 billion. And it is still worth saying that the story about the final distribution is actually a calculation in the interests of certain republics and the basis for their seeing to it that they not only tear Yugoslavia apart, but do so in a particular way. And all of this in order to avoid obligations and turn as much profit as they can.

Who Will "Draw the Line" and When

It is of interest that the press has already announced that one of the largest items for the final distribution is Yugoslavia's foreign debt and that in this case "things are mainly clear." That is, Yugoslavia's convertible debt as of 30 September 1991 amounted to $14.5 billion, which "breaks down" to $5.2 billion for Serbia, $2.6 billion for Croatia, $1.7 billion for Slovenia.... This is the structure of the remainder of the debt, but.... The debt was much larger, and the federation has been paying it off in foreign exchange. But we also know that certain republics paid off certain loans to the federation in dinars. And then the foreign exchange represented by foreign loans, as in the case of the "Kapital Hilfe," has been used by certain economic entities and paid off in part by others. There are, then, grounds for doing some calculations....

Something of which our public is less aware is the fact that Yugoslavia has also been granting credits to foreign countries. Total claims on that basis amount to $2.6 billion in the convertible area and $834 million in the bilateral payments area. The federation is seeking $665 million which would not go through the republics....

We have already said that the country's foreign exchange reserves have dropped to $3.8 billion. The figure is mentioned that in the National Bank of Yugoslavia there are reserves equivalent to the value of $3.4 billion. Who will "draw the line" and prevent these reserves from complete "evaporation" and when?

The final state distribution cannot by definition be reduced to a divorce. The property which the spouses brought to the marriage is returned to them, and property jointly acquired is divided up. Probably the accounting of the final Yugoslav distribution should go back to 1918. For example, the Kingdom of Serbia brought into the new governmental community a sound dinar, while Croatia, Slovenia, and Bosnia and Hercegovina brought almost worthless Austro-Hungarian kronen. They were exchanged for the dinar at an unrealistic exchange rate of four to one. It seems that the time

has come to feed that "into the digitron" and compute the "error" and correct it. We might also add by way of illustration that the Kingdom of Serbs, Croats, and Slovenes assumed the obligation to pay off international credits which Turkey had taken in order to build railroads in Macedonia. Should there be a final distribution, there would also be something to be demanded from an independent Macedonia....

Occupier Also for Financial Reasons

For those who are informed, the problem of the final division is complicated, but not insoluble. There are, say, figures about which we have forgotten. After World War II, Yugoslavia also nationalized the property of foreigners. However, under international pressure, it paid damages to the Western countries for that nationalized property. Now that the individual republics are separating, it would be proper to pay the federation or a "truncated Yugoslavia" the amount given for the property that remained on their territory....

One of the most important items for the final distribution would be collection of war damages from World War II. Germany, for instance, according to certain figures, is left owing Yugoslavia $35 billion. Does this fact, because under international law there is no statute of limitations on the collection of war damages, have a bearing on Germany's position that "Yugoslavia no longer exists," which "translates into the language of financial interests that the legal entity that would claim those damages no longer exists"?

The case of Italy is also of interest. Italy was supposed to pay Yugoslavia war damages in the amount of $9 billion. This amount was "canceled out" in that Yugoslavia did not pay Italy the value of property left behind by those who moved out of Istria. Now that Croatia and Slovenia "have seceded," they ought to compensate the "remainder of Yugoslavia" for a proportional share of that amount. Or, if no Yugoslavia exists at all, will this mean that the "wolf has eaten up the donkey"?

The relevance of a possible final distribution in Yugoslavia is also said to be confirmed by the propaganda names used for the JNA in Slovenia and Croatia, where it is an "occupying and aggressor army." However, behind this is the specific calculation that the June war in Slovenia cost $2.7 billion, exactly the amount of that republic's obligations to the federation. Slovenia is counting on war damages in that amount. In Croatia, however, the cost of the war was first estimated at $10 billion and then $17 billion, and now at more than $20 billion. If Croatia "proves" that the country was attacked by an aggressor, this would entitle it to seek that amount of war damages. It would have that coming from the final distribution of Yugoslavia.

What then is left for the others?

Problems With Repayment of Foreign Debts Cited

92BA0240A Belgrade BORBA in Serbo-Croatian 10 Dec 91 p 12

[Article by Jasna Kesic: "The Destiny of a Shallow Pocket"]

[Text] Even the last bright spot in the Yugoslav economy—prompt repayment of foreign debts—seems to have begun to be extinguished. That is, a real danger threatens that we will not be able to fulfill certain obligations even with a tardiness of 45 days, which international financial regulations tolerate. And after that come severe penalties, which Western financiers will quite certainly not spare us. Are not the sanctions of the European Community and the United States more sufficient evidence of that?

At the moment, the railroads, the highways, and JUGEL are having the greatest problems repaying loans. The credits in question are for joint projects, so that in each one there are several debtors from all over the country, but when the loan was taken, the federation was the surety. The trouble is that these debtors do not have dinars to purchase foreign exchange from the National Bank of Yugoslavia, and there is no money for that in the federal budget either. In similar cases, when debtors did not have dinars in the past, the Federal Secretariat for Finance issued an order to the federal budget to set aside dinar funds to purchase foreign exchange from the central bank, but even the federal treasury no longer has money for that. So far, about 2.5 billion dinars have been set aside from the budget for these purposes to buy $250 million for repayment of debts. And that seems to be the end.

So, the debtors do not have money, nor does the federal treasury, and today is the 40th day since the regular deadline for payment. Under international regulations, 30 days of delinquency are allowed, and another 15 days is tolerated after that, but penalty interest is paid. If the debt is not paid even in that period, then severe penalties follow such as stopping all current lines of credit and complete cessation of the possibility of obtaining new credits....

Our railroads, highways, and JUGEL still have five days to meet their payments in foreign exchange to the World Bank, the European Investment Bank, and Eurofima. Otherwise, things look black for them, because those credits which they are now obtaining could also be terminated. The competent financial specialists, however, do not display even a bit of optimism that the problem might be solved in the remaining five days. Perhaps the republics, along with their banks and directly with the debtors, might see to resolving this by 14 December, but at the moment there is no indication of that.

In addition to the debts we have mentioned, problems still remain with the repayment of remaining obligations under the refinanced credits guaranteed by the federation or the National Bank. The federal government

recently said that the central bank must by the end of the year pay all the remaining interest to the "Paris Club" and commercial banks, as well as the portion of interest still not paid for 1990. All these grace periods have expired long ago, both those allowed and the penalty periods, and that is why the FEC [Federal Executive Council] issued an order that this must be paid first. The competent financial experts are optimistic that at least these obligations will be met by the end of the year. That is very important, because negotiations were supposed to begin soon with the "Paris Club" on refinancing $1.7 billion of a principal that totals $6 billion. Paying the remaining interest will presumably increase our chances of postponing repayment of the principal, which up to now the governments of the 16 advanced countries have not accepted. In any case, the commercial banks have reprogrammed $4.5 billion of the principal over 15 years.

As for total payments of foreign debts, it seems that we will end this year with some small success, but it is better not to think about what will happen next year. In 1992, $1.6 billion of the principal and $1.3 billion of interest come due, which totals $2.9 billion. It is also estimated that we will begin the coming year with foreign exchange reserves of $3.4 billion, which does not promise anything good. It is also quite certain that the inflow of foreign exchange will not be any more forthcoming than it has this year, because under wartime conditions and with ties completely severed, the economy is barely staying afloat, tourists will continue to avoid us like the plague, and it will hardly occur to foreign creditors to give a single cent of aid to such a country. In short, our prospects are rather gloomy.

Croatia

Assembly Recognizes Former USSR Republics

LD2812142291 Zagreb Radio Croatia Network in Serbo-Croatian 1300 GMT 28 Dec 91

[Excerpt] [passage omitted] At the proposal of the Croatian Government, the Assembly recognized the 11 states of the former Soviet Union as sovereign and independent states: the Russian Federation and the republics of Belarus, Armenia, Kazakhstan, Kyrgyzstan, Moldova, Georgia, Azerbaijan, Uzbekistan, Turkmenistan, and Tajikistan. The Assembly asked the government to establish cooperation and diplomatic relations with these states.

Croatia had earlier recognized the four former Soviet republics of the Ukraine, Estonia, Latvia, and Lithuania.

Tudjman Reports to Assemby on Republic Situation

LD2812121891 Zagreb Radio Croatia Network in Serbo-Croatian 1100 GMT 28 Dec 91

[Text] An extraordinary session of the Croatian Assembly began this morning. The session was convened by Croatian President Franjo Tudjman.

President Tudjman delivered a detailed speech to the deputies about the situation in Croatia and the difficult path toward its international recognition. Some 10 countries have already adopted decisions on the diplomatic recognition of Croatia, and there are indications that the United States, as the main factor in preserving world peace, will do likewise, Dr. Tudjman said. He added that the liberation of every part of our homeland awaits us, and that will try to do this with the assistance of the international community. However, we must be prepared to do it alone.

Report Unanimously Approved

LD2812133591 Zagreb Radio Croatia Network in Serbo-Croatian 1200 GMT 28 Dec 91

[Text] The extraordinary session of the Croatian Assembly, convened by the president of the republic, is in progress in Zagreb. At the collective session, Dr. Tudjman submitted a report to the deputies on the situation in the republic.

Our aim is, Dr. Tudjman said, an absolute cease-fire, the establishment of permanent peace, and an end to the imposed and painful war. The Croatian Army is today organized as a strong defense system and it is a powerful defense shield of the freedom of the Croatian homeland. I particularly want to stress the high and honorable morale defenders of the homeland who have resisted all the ordeals of this cruel war. The unity and morale of the Croatian defense forces are today a guarantee of a democratic and sovereign Croatia, and the preservation of its territorial integrity, Dr. Tudjman said.

Afterward, the Assembly unanimously adopted the report and acknowledged everything President Franjo Tudjman has done with regard to Croatia becoming a sovereign and independent state and a fully fledged member of the international community.

The joint collective session continued with the establishment of a conclusion, whereby the Assembly supports the request of the president of the republic for the international recognition of Croatian independence, which he submitted to the chairman of the EC Ministerial Council on 19 December.

Tudjman Addresses 1991 Final Sabor Session

LD2812184691 Zagreb Radio Croatia Network in Serbo-Croatian 1600 GMT 28 Dec 91

[Excerpts] We must overcome the tribulations which the aggressors are placing before us by joint effort and will and with the help of the democratic European and world community. As its equal members we shall strive to make sure Croatia is a strong element of lasting political stabilization in southeast Europe. This was one of President Dr. Franjo Tudjman's messages from his annual report on the situation in the Republic of Croatia submitted during the last special Croatian Sabor session this

year. A report on the session has been prepared by Jasenka Dudic, Andjelko Perincic, and Kreso Zadravec. [passage omitted]

During the joint session of the Croatian Sabor the deputies heard a report by Vice Prime Minister Jurica Pavelic on Croatian economic policy next year. He stressed that despite the war situation the economy will start building a market system—of course, with the help of new foreign capital. He added that the republican budget will be relatively smaller than this year's budget. Adequate provisions will have to be made for hundreds of thousands of war refugees and homeless. In short:

[Begin Pavelic recording] To increase production and exports, decrease personal consumption, take care of the expellees and the unemployed, and take steps to avoid hyperinflation—and all this must be done within the context of an economic system which at the very start will not possess the chances and the will for a genuine transformation in the direction of market economy and domination of private ownership—is not an easy thing to achieve, but I repeat it is probable and possible, too. Thank you. [end recording]

Dr Ante Cicic-Sain, governor of the Croatian National Bank, said that with monetary emancipation we are acquiring our own currency as a significant symbol of our independence, an efficient system of protection against monetary raids and against parafiscal money flow, and a chance to pursue our own monetary policy. And last but not least, we shall effect a not insignificant money-issue profit. We shall also acquire the instruments of forming efficient market economy and a legitimate peaceful resource for the repossession [povrat] of temporarily occupied Croatian territories. Monetary independence makes possible and commits us to a constant struggle against inflation and lasting stability of Croatian currency. These are the most important tasks of the Croatian National Bank which for the first time is an independent and central money-issue bank accountable to the Sabor alone.

We are awaiting the New Year with the fulfillment of the old Croatian dream about autonomy and independence to which a great contribution has been made by Dr. Tudjman who rightly can be called the creator and the architect of the foreign political strategy of modern Croatia, Foreign Minister Dr. Zvonimir Separovic stressed. He also listed the imminent foreign political tasks. Further internalization of the open aggression against Croatia, efforts for an ever-growing recognition process including admission to the United Nations, and the opening of Croatian embassies abroad, signing of international agreements and accords and, what is most important, the successor discussion to be held under the auspices of the EC arbitration commision. [passage omitted]

Mesic Elected HDZ Executive Committee Chairman

LD2912124391 Zagreb Radio Croatia Network in Serbo-Croatian 1200 GMT 29 Dec 91

[Text] Stipe Mesic was unanimously elected chairman of the executive committee of the Croatian Democratic Community [HDZ] at today's session of the party's main committee, which was chaired by HDZ Chairman Franjo Tudjman. Slavko Degoricija, former chairman of the executive committee, is going to take up another duty. The session discussed current HDZ tasks and its organizational strengthening.

Cease-Fire Agreement in Dubrovnik Implemented

LD2712172791 Zagreb Radio Croatia Network in Serbo-Croatian 1600 GMT 27 Dec 91

[Text] Before leaving Dubrovnik for Rijeka, Dr. Davorin Rudolf, the Croat minister of maritime affairs, said that the agreement signed on 7 December in Srebreno, regulating a cease-fire, the opening of the Dubrovnik port, and the repair of electricity and water supplies is being implemented.

Minister Rudolf added that he expected the continuation of the talks with the representatives of the occupation army to achieve a final solution in accordance with the decisions of the Croatian Government, and that before the New Year an agreement should be signed on Vis on the departure of the Army from [the islands of] Vis and Lastovo.

Data on War Damage to Economy Discussed

92BA0230A Zagreb VJESNIK in Serbo-Croatian 5 Dec 91 p 8

[Article by Davor Drezga: "War Damage to the Croatian Economy; Damage Exceeds 265.7 Billion Dinars"]

[Text] In first place by value of damage (more than 108 billion) is transportation and communications, followed by other vital powers of the Croatian economy: industry, hotels, restaurants, and tourism, agriculture and the food industry, electric power....

As journalists were informed at the regular press conference in the Croatian Economic Chamber, the war damage that has occurred in the Croatian economy, as well as in the whole republic, for more than the past 15 months, has had the worst impact on a vital economic activity—transportation and communications. As was confirmed in the Croatian Economic Chamber (on 29 November 1991), that activity is in first place of 12 in the spectrum of the Croatian economy, with damage amounting to more than 108 billion dinars, and that is certainly not the final figure.

The incompleteness of the figures should be added to this, because it is not possible for analysts to view damage in Slavonija, Baranja, in Banija and in Lica, and in Dubrovnik, either because these areas are occupied or

exposed to enemy fire. Despite this incompleteness, it is known that the total damage to the Croatian economy is 265.7 billion dinars. By extent of damage, transportation and communications are followed by industry with 72.5 billion, hotels, restaurants and tourism with 29.16 billion, agriculture and the food industry with 20.4 billion, and electric power with 10.97 billion dinars in damage.

Therefore, the war aggression against Croatia has been directed at the destruction of its most vital economic powers. Among them, transportation (roads, railroads, ports, air and sea transportation) has been most severely affected. As to the ports, it is characteristic that cargo in transit to traditional partners in Austria, Hungary, and Czechoslovakia, which until recently went through Croatian ports, has now been directed to Koper in Slovenia and Trieste in Italy. All transport from Serbia, which used to go through the port in Rijeka, is now being routed through Bar.

Moreover, because of war risks and sea blockades, additional premiums for crossing the boundaries of war risk have been introduced, for the first time in our maritime history, for ships that sail into our territorial waters. As an illustration of the fear of foreign partners of operations in Rijeka Port, the move of a Swiss businessman is cited in the Croatian Economic Chamber [HGK] who transferred his goods from storage in Rijeka to Koper. A partner from Hungary did not succeed in finding a ship for Rijeka (probably because of the risk), although chemical fertilizer is traditionally exported through there. Unfortunately, these are also the tragic consequences of war, which has not yet stopped destroying Croatia and its economy.

Overview of damage by economic activity recorded as of 29 November 1991 (in thousands of dinars):

Croatian electric power: 6,300,000; INA petroleum industry: 4,473,780; Adriatic oil pipeline: 193,417. Total energy: 10,967,197

Industry: 72,498,662; Agriculture and the food industry: 20,424,398; Forestry and the lumber industry: 185,216.

Water power: 4,940,000; Construction: 865,368; Transportation and communications: 108,151,000.

Trade: 16,063,856; Hotels, restaurants, and tourism: 29,166,387; Artisans' trades: 717,276.

Residential-communal: 1,207,877; Financial and similar organizations: 503,893.

TOTAL: 265,691,130

Source of figures: Croatian Economic Chamber, Zagreb, November 1991. NOTE: Damage figures are incomplete because parts of Slavonija, Baranja and Lika, and the city of Dubrovnik, are occupied or exposed to enemy fire.

Serbia

Milosevic Interviewed on Disintegration Process

LD2912185691 Belgrade TANJUG Domestic Service in Serbo-Croatian 1352 GMT 29 Dec 91

[Text] Belgrade, 29 Dec (TANJUG)—"Serbia remains in Yugoslavia not just because of the generations which lost their lives for freedom and Yugoslavia in the two world wars, in other words not just or primarily because of the past and history, but rather because of the future," Slobodan Milosevic, president of the Republic of Serbia, says in an interview with the Belgrade-based VECERNJE NOVOSTI to be published tomorrow.

"The current conflict with those leaving Yugoslavia did not arise merely because of their desire to set up their mini-states or because of the interests of some powers to grab them but, primarily, because of the fact that they relied on violence to fulfill this idea of theirs," Milosevic stresses.

Regarding the borders of a new Yugoslavia, Milosevic says that they will be determined by "both the nations which decide to continue living in Yugoslavia and those which abandon it. It would be logical and just if we were to jointly to reach an agreement in a peaceful way, without violence against any of the Yugoslav peoples."

Asked, in the light of talks last Friday [27 December] between a Serbian delegation and the leaders of Macedonia, about that republic's position and plans, Milosevic says that "there is no reason why Macedonia should not decide to leave Yugoslavia. That is the right of the Macedonian people," he stresses.

"If you ask me about my impressions—I think that the Macedonians neither wish nor have an interest to part company with us. Simply, they feel the need to resolve the issue of their status in a way they think best for them. I see no evidence there of either a desire or interest to do that at our expense. For ourselves, we have no reason to make moves which would be detrimental to Macedonia—quite the contrary," Milosevic stresses.

In his view, possible secession by Macedonia would not be in the interest of the Macedonian people; as for Serbia, it will respect any decision made by the Macedonian people.

Asked to say what must be done to prevent the Muslims in Bosnia- Hercegovina, and also in Serbia and Montenegro, becoming a factor of instability, Slobodan Milosevic expressed the view that "the Muslims are not a factor of instability, although political adventurism by certain Party of Democratic Action leaders could create that impression. However, it would be unfair to the Muslims and, I believe, to most members of that party if we were to entertain suspicions about them just on account of the senseless actions of individual extremists within their ranks. Everyone has extremists. Serbs have them too. If by some fortuitous chance they were in power in Serbia, Serbia would have been in black a long time ago. We

must take into account the fact that extremism on one side gives rise to extremism on the other side, and should they escape control and wax strong the conflicts escalate."

"It is my personal opinion that for the Serbian and Muslim peoples in Bosnia-Hercegovina, and this means in Yugoslavia too, to live together and on an equal footing is in the interests of both nations. I believe that Serbian nationals in Bosnia-Hercegovina by and large express these sentiments. Of course, it would be best if, for our joint prospects, this commitment were to be expressed by the Muslim people as well," was Slobodan Milosevic's reply to the question whether he believes that "in the wake of Franjo Tudjman's statement on the inevitable division of Bosnia-Hercegovina, the mood of the Muslims is turning in favor of Yugoslavia's continued existence."

In connection with the issue of whether the orientation of Slovenia and Croatia to secede from Yugoslavia was the outcome of exclusively internal political, national, and other aspirations or was also a result of the impact of outside factors, Milosevic remarked that many factors were involved. "I personally believe that disintegration processes in Yugoslavia are a result of current events and especially the result of the policy pursued in Yugoslavia in recent years. Outside factors have been involved in this policy to a considerable extent and in some cases (as far as Slovenia and Croatia are concerned) to a crucial extent.

"So the answer to your question—internal or external factors—is, both, with the proviso that at the moment the external factor plays a crucial role in using the minority militant internal factor and helping it to establish a totalitarian chauvinist regime to the detriment of the Croatian people as a whole. Fear and violence, censorship and political assassinations rule there, and when these things have completed their dirty work for their masters, those masters will get rid of them because of the crimes they committed in order to restore their reputation, but will not be reluctant to take advantage of such dirty work," Milosevic added.

During the extensive interview, during which Milosevic answered 45 questions, mention was also made to the conduct of the authorities in Albania toward Kosovo. Milosevic is of the view that "the stands and the behavior of the government in Tirana are not conducive to the development of good-neighborly relations with our country. It is in our common interest if they square their declaration not to interfere in Yugoslavia's internal affairs with the foreign policy they practice."

On the efforts of the Republic of Serbia to stabilize the situation in Kosovo, Milosevic stresses that over the past few years a great deal has been done in the province. "Kosovo is no longer a region outside Serbia where the Serbian people suffer discrimination."

However, Milosevic warns, if life in Kosovo is to proceed normally and if Kosovo is to develop comprehensively, it is necessary for its entire population to join forces on equal terms to help in the development. There are numerous divisions and discord among Serbs and Montenegrins themselves. This is a great shame. As for the Albanians, a large number of them are boycotting these activities, including a large number of children who are staying away from schools. Even if we take into consideration the fact that the boycott has been initiated by the separatist forces of Kosovo and their backers outside the province, a great deal of responsibility for the boycott and the discontent among the Albanian population must nevertheless rest with leading Serbs and Montenegrins in Kosovo and their policy and conduct and, by implication, with the policy we have been pursuing in the republic.

A part of the interview refers to "blue helmets" which, Milosevic believes, will come to Yugoslavia. "According to the plan, the entire area of the Serb Krajinas should be placed under the protection of the UN peace forces. In this way, the peace and the freedom of the Serbian people in the Krajinas who, for the third time this century are under the threat of genocide, would be safeguarded by peace rather than by war. This would bring an end to the war and would help to create conditions for resuming peace negotiations about the resolution of the Yugoslav crisis," Milosevic stresses.

Asked what he would above all wish for the citizens of Serbia in the new year, Slobodan Milosevic says: "Peace in Yugoslavia."

Assembly Adopts Declaration on Self-Determination

AU2712224091 Belgrade Radio Belgrade Network in Serbo-Croatian 2100 GMT 27 Dec 91

[Text] The Serbian Assembly this evening adopted the Declaration on the Unalienable Right of the Serbian People to Self-Determination. This declaration was proposed by the government instead of the declaration on recognizing the Serbian Krajina Republic proposed by National Party deputies. Justice Minister Zoran Cetkovic read the declaration to the deputies:

[Begin Cetkovic recording] Proceeding from constitutional obligations and its clear political orientation toward taking special care about those groups of Serbian people living outside the administrative borders of the Republic of Serbia, the government of the Republic of Serbia proposes to the National Assembly to adopt the Declaration on the Unalienable Right of the Serbian People to Self-Determination.

In the situation when unilateral secessionist acts of Croatia and some other republics seriously threaten the biological survival and national identity of those Serbian people living outside the administrative borders of the Republic of Serbia and within the search for a complete solution to the Yugoslav state and political crisis, the government of the Republic of Serbia is of the opinion that in these complex political times, this complete solution to the Yugoslav crisis can be ensured only through advocating peace and affirming democratic

methods of finding a way out of the crisis, as well as through equal respect of the legitimate interests of all Yugoslav peoples and republics.

In the wake of a continuous and unilateral secession of the Republic of Croatia and the latest escalation of the support to this secession expressed by the EC and some of its leading members in particular, the government of the Republic of Serbia considers the act of the proclamation of the Republic of the Serbian Krajina to be an act of self-defense from fatal consequences which unilateral recognition of Croatian independence may have to the biological survival and the basic national and human rights of the Serbian people in these regions.

The Serbian people living within the administrative borders of the Republic of Croatia are confronted both with the unlawful behavior of the Croatian republican authorities and with many unlawful acts of the EC and some of its members. In such circumstances, all legal systems worldwide recognize the right to self-defense, as an action taken with a view to protecting oneself.

A complete solution to the Yugoslav crisis can be ensured only by preserving the sovereignty of Yugoslavia. As long as Yugoslavia exists as a joint state and is sovereign, the right to self-determination can be realized within this sovereignty and through rules and procedures established by this joint state.

With such a political approach, the Government of the Republic of Serbia proposes this declaration as a confirmation of its commitment and care for the Serbian people outside the administrative borders of the Republic of Serbia, as well as support for a further search for a peaceful political solution to the Yugoslav crisis within the preserved sovereignty of the joint state of Yugoslav peoples and its continuity under international law. [end recording]

Vojvodina Assembly Elects New Prime Minister

LD2812141391 Belgrade TANJUG in English 1304 GMT 28 Dec 91

[Text] Novi Sad, Dec 28 (TANJUG)—The parliament of Vojvodina today elected Jovan Radic as prime minister of this province which is part of the Yugoslav Republic of Serbia.

Radic replaced Radoman Bozovic, who was recently elected Serbian prime minister.

Vojvodina's new prime minister holds a doctor's degree in economics and teaches at the Novi Sad School of Economics as associate professor.

The Vojvodina parliament released of duty two members of the provincial government—Zoran Cetkovic and Jan Kisecki—who were elected members of the Serbian Government last Monday.

Demands for Postwar Division of Assets Listed

92BA0223A Belgrade POLITIKA in Serbo-Croatian 28-30 Nov 91 p 9

[Article by Rodoljub Geric: "Paving the Way for Reshaping Yugoslavia; What Serbia Will Demand in the Breakup"—first paragraph is POLITIKA introduction]

[Text] The foreign-exchange debt to other countries will be the easiest thing to divide up. The Slovenes have been working on division-of-assets statements for five years now. How the hotels built by the Serbian economy were seized. What about the oil pipeline, reparations, military property....

After seven decades plus a few extra years of living together, it appears that our nations and nationalities have arrived at a situation where they will say goodbye, and not au revoir, to one another. Specifically, the six-man boat without a helmsman, rowing discordantly but stubbornly for 18,320 days up the waterfall at Jajce, has finally reached the top, and now, celebrating this important event with salvos of mortar fire, it will still somewhat confusedly turn its attention to itself, realizing that the definitive breakup cannot be carried out simply with a handshake. Because during all this time spent in a common home, much has been repaired, built, and added on—with joint money. Now, this must be divided up.

Of course, it will be quite logical to serious-minded people that this final job cannot be completed overnight, although it was also utterly clear that some people here would prefer darkness to the light of day when dividing up property. The accounts are too complicated to expect complete fairness in settling them, but it is known that already today everyone has sobered up from the drunkenness induced by the creation of a common homeland, and that instead of a jug of wine, they have taken out their pencils. It has become known that even Serbia is doing this.

More Than Arithmetic

Since its calculation has not yet been made public, for now we can only guess at what all this sort of "material" might comprise. Nevertheless, it is possible to a certain extent to assume what all could be covered by this.

First of all, it would be completely logical in any statement, including the division-of-assets statement to be presented by Serbia, to find data on all the debts and claims relating to other republics. This could be a relatively simply arithmetic operation, assuming the accuracy of claims according to which payments in both directions have been made in recent times, which are better known as an age of despots and pickpockets, properly chronicled.

Despite certain gloomy reflections on this subject, the easier part of the job would be registering our foreign debt, meaning that it too would be "divided" in a fairly simple manner. It appears that the National Bank of Yugoslavia has quite precise data on this, which indicate

the following: Of the total Yugoslav debt currently amounting to $14.5 billion, Serbia accounts for $5.2 billion (Serbia without its provinces $3.7, Kosmet $0.7, and Vojvodina $0.8 billion), Croatia accounts for $2.6 billion, Slovenia for $1.7 billion, Bosnia-Hercegovina for $1.43 billion, Macedonia for $0.65 billion, and Montenegro for $0.5 billion.

Naturally, it will not be possible to figure out everything else so easily, despite the fact that Slovenia is known to have been working intensively on its division-of-assets statement for five years now, and there should be no doubt whatsoever that this former Yugoslav republic will come up with very precise and final calculations and thrust their computer analyses into the faces of the other parts of the country as indisputable evidence. However, there can be no doubt whatsoever that no mention will be made of the factories formerly moved from Serbia into the Alpine region as a result of the great, although perhaps fabricated danger of an invasion by the USSR. Nevertheless, it would be worthwhile to give at least a little consideration to the fact that, say, as much as around three-quarters of the mill capacity of Vojvodina was disassembled and taken away to safeguard it from the Russians. To say nothing of other examples.

Of course, there is also reason to doubt whether the businesslike Slovenes will remember in their precise balance sheets how their aviation company, with the current bombastic name "Adria Airlines," came into being. However, if our memory serves us, this company would not have even existed if during the glorious introduction of OAL's [organizations of associated labor], several aircraft worth only a couple hundred million dollars had not been "borrowed" from Belgrade's "Intereksporta," aircraft that, of course, were not returned, but rather sold so that new "Adria" aircraft could be purchased. Recently, our well-known economist Dr. Dragoslav Slovic in fact reminded us of the sad effects of the introduction of OAL's in our lives, which meant, for example, that at least 74 hotels on the Adriatic (built with Serbian money) declared themselves BOAL's [basic organizations of associated labor], thus becoming the property of Croatia, without any payment whatsoever. All that was necessary for this was to raise only two fingers in some forum.

Weekend Cottages and Airplanes

Obviously, even these two fingers were not necessary for the new pirates. These days the so-called owners of weekend cottages on the beautiful Croatian coast of this democratic republic and soon-to-be, as the Germans say, sovereign republic are writing in vain to various international courts, since they already cannot write to domestic ones. If bombs have not blown up these houses and apartments worth at least an estimated 3 billion German marks [DM], then others are already living there. Whether they, too, will be included in the division-of-assets statements remains for now a question without a real answer. There is also no answer to the question of how to depict in these balance sheets the many decades of plunder resulting from "price discrepancies" which were (and still are) always granted to the detriment of farmers and cattle breeders (from Serbia) and to the benefit of the "screwdriver industry" from our west. According to some calculations, several hundred (!) billion dollars have "flowed" from east to west thus far based on this alone.

On the other hand, it is likely that in any division-of-assets statement it will not be too difficult to establish who invested how much in the construction of the former Yugoslav and present-day Adriatic oil pipeline, which, by the way, in recent months has been seized from the main financiers (refineries in Serbia) based on unparalleled decisions by the Croatian government. But a big question is whether it is possible to apply the same criteria to determining how much of the "Nikola Tesla" electric-power ring will go to Serbia; this, too, is momentarily shut down in Croatia, and it was in fact built with a loan of around DM1 billion that Germany, or rather Willy Brandt, generously gave to Josip Broz as compensation for the Yugoslav victims in World War II. As we know, however, during that war Serbs accounted for around four-fifths of all victims, while the compensation that Germany would have to pay is estimated at as much as $84 billion. The question, of course, is whether Serbia, in the future division-of-assets statement, can also collect war reparations from Croatia, which killed off between 700,000 and 1,000,000 people of Serbian nationality, since that republic has already been legitimized as the successor to Pavelic's NDH [Independent State of Croatia].

Finally, for Serbia, which still advocates Yugoslavia for objective reasons, it will be rather difficult to prove how much its contribution to the Yugoslav budget really has been since the last war, if for no other reason than various complications in various laws on accounting, most of which were amended in such a way that it was impossible to discern or conclude anything from them. It has never been possible to determine exactly what Serbia's contribution to the federal budget of Yugoslavia was, although it can be stated with certainty that it was always significantly higher than its contribution to the national social product. And of course it will be very important to determine this, primarily in terms of dividing up military property, or in calculating who gave how much for the development of underdeveloped regions, although not in order to figure out how much of this should be returned to whom in the form of big profits.

Because of all this, it is utterly clear that the division of property in these areas will be a little more difficult, regardless of who has managed to impose this sort of calculation. Indeed, we are seeing that the division of territory is not going entirely smoothly either.

Economists Note Increased Unemployment, Poverty

92BA0240B Belgrade BORBA in Serbo-Croatian 10 Dec 91 p 12

[Article by G. Djukic: "One Out of Every Four Without a Job"]

[Text] The army of over 650,000 unemployed in Serbia will soon be joined by another equally numerous army. Economists say that in the republic at the moment 20 percent of the employed labor force (500,000 people) are redundant and that their discharge would not have any consequences whatsoever for production. These two armies are merging into the single army of the hungry.

Dr. Marija Ratkovic of the Institute for Economic Sciences estimates that 46 percent of all the unemployed workers in Yugoslavia are from Serbia, that is, that one out of every four workers in this republic is unemployed. Industrial production this year has been cut in half in certain sectors, and it is less than 30 percent of last year.

To what extent can the horrifying unemployment be seen as a way out of the general crisis? Dr. Ratkovic proposes in a number of diverse measures and moves by the government that credits and tax policy be used to stimulate more appropriately the opening of small private firms, especially in the service sector. She feels that it would be a good move on the part of the government if it were to stimulate housing construction and invest more in the infrastructure. Those are only some of the ways of "stepping on the head" of the horrifying unemployment in Serbia.

To what extent unemployment is truly a double-edged sword is also indicated by the following words of Dr. Ratkovic: "Either by postponing elimination of redundancy in enterprises and redistribution of income we will moderate social tensions, postpone the process of restructuring the economy, and create a class of the poor, or on the other hand we will face the unemployment created and open up an opportunity for vigorous measures and policies to promote and stimulate the creation of new jobs, education, and training of the employed and unemployed so that they adapt effectively to the demand."

Dr. Marija Ratkovic proposes that available financial resources of the government and enterprises be used on a priority basis to carry out vigorous measures, instead of those we have had up to now, which have only protected income.

Poverty

Poverty spares hardly anyone. There are fewer and fewer of those who can easily fill the so-called consumer's market basket necessary to survive, that is, to cover something that in our context is referred to as the subsistence minimum. It is difficult to estimate what that minimum is and what it is like (it is usually for a family of four). Under the Serbian Law on Social Welfare, it comes down to 95 percent of the personal income from the previous quarter in the economy of the opstina in which the family lives, except that the base may not be greater than the level of the average income in the economy of the republic in the same period. In Serbia, that minimum for purchases and providing what constitutes life amounted to 6,149 dinars in September.

At the same time, according to the methodology of the Federal Secretariat for Health, Labor, and Social Welfare Policy, 14,693 dinars had to be set away last September in Serbia for the survival of a four-member family! Which of these two sums is the right one is indicated by the datum that last year more than one million inhabitants of Serbia were unable to earn enough to meet the needs of subsistence—food, housing, and hygiene.... And then what about the more than one million pensioners, one out of every five of whom receives only enough to buy bread and milk?

Kosovo

Opposition Accepts Albanians' Dialogue Invitation

LD2712151591 Belgrade TANJUG in English 1109 GMT 27 Dec 91

[Text] Belgrade, Dec 27 (TANJUG)—Leaders of three opposition parliamentary parties in the Yugoslav Republic of Serbia today accepted the invitation to a dialogue issued by Veton Suroi, one of the separatistically oriented leaders of ethnic Albanians in the Serbian Province of Kosovo-Metohija.

Vuk Draskovic, the president of the Serbian Renewal Movement (SPO), Vojislav Kostunica, the vice president of the Democratic Party, and Dragan Veselinov, the president of the National Peasants' Party, have declared their readiness to open the dialogue. Their statements are today carried by the Belgrade daily BORBA.

SPO leader Draskovic believes that an agreement between Serbs and ethnic Albanians is "not only desirable, but necessary," just as one with Croats and Moslems. The leader of the SPO, the strongest opposition party in Serbia, is categorical in that "we can discuss anything (with ethnic Albanians) except who Kosovo-Metohija belongs to."

Democratic Party official Kostunica says that such an agreement would "carry weight," the more so if ethnic Albanians were to reach agreement with the entire united democratic opposition, and not only with individual parties.

"Should the opposition join forces, the agreement would help, or at least be a first step, towards resolving the problem of Kosovo," says Kostunica, an official of the second strongest opposition party in Serbia.

Veselinov, of the National Peasants' Party, is convinced that "there should be no armed clashes, rebellion or bloodshed for as long as there are talks with ethnic Albanians in Kosovo."

"If agreement were reached, then the Belgrade opposition might appear in the next elections in a coalition with the alternative movements in Kosovo," Veselinov says.

A separatist movement of ethnic Albanians is active in Kosovo, aspiring after the proclamation of a Republic of Kosovo and its annexation to neighbouring Albania. The movement has organized an illegitimate proclamation of a Republic of Kosovo, to which the Serbian authorities have responded by suspending the provincial government and parliament and abolishing the provincial presidency.

Secret Terrorist Organization Discovered

LD2712131391 Belgrade TANJUG Domestic Service in Serbo-Croatian 1128 GMT 27 Dec 91

[Text] Belgrade, 27 Dec (TANJUG)—A secret extremist organization, the Front of Resistance and National Liberation of Albanians [Front Otpora i Nacionalnog Oslobodjenja Albanaca] has been discovered in Kosovo and Metohija. The aim of this organization, which appears to number several hundred members, is to separate the territory of Kosovo and Metohija from Serbia and Yugoslavia in order to join Albania.

The representatives of the Serbian Ministry of Internal Affairs informed Yugoslav and foreign journalists about this today at a news conference held by the Serbian Government.

Eleven members of the terrorist organization have been arrested. Criminal charges have been brought against them.

A connection between this organization and Albanian parties in Kosovo and Metohija is indicated, because the members of the illegal terrorist organization are also members of the Democratic Alliance of Kosovo and other Albanian parties.

Bosnia-Hercegovina

Izetbegovic Writes to Carrington on Independence

AU2712223291 Sarajevo Radio Sarajevo Network in Serbo-Croatian 1800 GMT 27 Dec 91

[Text] Alija Izetbegovic, president of the Presidency of Bosnia-Hercegovina, has sent Lord Carrington, chairman of the Peace Conference on Yugoslavia, a letter which says the following:

After the responsible bodies of Bosnia-Hercegovina demanded international recognition of the Republic of Bosnia-Hercegovina in conformity with the Declaration on Yugoslavia adopted in Brussels on 17 December, the so-called Assembly of the Serbian people of Bosnia-Hercegovina sent a letter to you in which it disputes this demand. On this occasion, I would like to point out to you that the remarks issued by the Assembly of the Serbian people has no ground.

According to the explicit provision of Amendment 60 of its Constitution, Bosnia-Hercegovina is a sovereign state, something which gives it the right to decide on its status and even to submit a demand for international recognition. The remark that the demand was submitted by (?responsible) bodies is also not true, because the demand for international recognition was submitted by the Presidency and the government of Bosnia-Hercegovina. The remark that the principle of national equality has been violated is also not true, because this decision has not changed anything in the citizens' constitutional position.

Although the interests and equality of the Serbian people in Bosnia-Hercegovina have not been called into question at all, the Serbian Democratic Party has carried out many activities which undermine the constitutional order and territorial integrity of the republic. Thus, regional communities have been formed exclusively on the basis of ethnic principles in a unilateral and unconstitutional way, and they are trying to [word indistinct] take over some important powers of the republican [words indistinct], it is said in the letter Alija Izetbegovic sent to Lord Carrington.

Ganic, JNA Agree on Return of Refugees

AU2812205191 Sarajevo Radio Sarajevo Network in Serbo-Croatian 1800 GMT 28 Dec 91

[Excerpt] Ejup Ganic, member of the Bosnia-Hercegovina Presidency, held talks in Stolac today with the presidents of the communes of eastern and western Hercegovina and the representatives of the second operative group of the Yugoslav Peoples' Army [JNA] for Hercegovina. The talks, which aroused significant interest among reporters, were organized by the Club of Intellectuals from Mostar. It was agreed to immediately start the action of returning the refugees to their homes. Milan Vego reports from Stolac:

[Begin Vego recording] The participants in the talks mostly concentrated on ways to organize an unhindered return of refugees to their homes, normalize the economic situation, and secure undisturbed traffic on the whole of Hercegovina. Although different opinions were heard regarding refugees and different views offered regarding the organization of their return, the presidents of the eastern Hercegovina communes were mostly convinced the issue of refugees' return should be examined at the federal level. The representatives of some other communes advocated that the Army must withdraw from certain regions first and only then can they secure the return of refugees. Finally, it was decided to tackle the problem as soon as possible and on a case-by-case basis.

It was agreed that expert commissions of the Bosnia-Hercegovina Government, the representatives of the Ministry of Internal Affairs and the JNA, and presidents of communes in which this problem is present, gradually normalize the situation and secure the return of refugees to their homes. It was agreed to proceed with this action

immediately. The JNA is also willing to participate in this action as well as in the process of normalizing the situation in Hercegovina. [passage omitted]

SDS President Karadzic on EC Involvement, Events

92BA0242A Belgrade POLITIKA in Serbo-Croatian 6 Dec 91 p 8

[Article by M. Duric: "Decisions on Bosnia Will Not Be Made in The Hague"]

[Text] Sarajevo—"Events in the European Community demonstrate that 'the twelve' have betrayed their initial principles, which were based on offering the services of goodwill," was the assessment of Dr. Radovan Karadzic, president of the Serbian Democratic Party [SDS], at the beginning of today's press conference. "It is as though they enticed us into accepting their good services with those principles of theirs, and then when we accepted them, the services disappeared and were replaced by dictates and ultimatums which are inevitably reminiscent of the tariff war at the beginning of the century and other ultimatums, coming from the Austro-German complex in Europe.

"We propose that the Yugoslav crisis and its resolution be returned to Yugoslav institutions. We are proposing that the European 'twelve' be restricted exclusively to offering good services. They should therefore come to Yugoslavia, rather than our going to them. I propose," he also added, "that the process be initiated of Slovenia's recognition by Yugoslavia and that we issue an appeal that no one in the world recognize Slovenia and Croatia until Yugoslavia recognizes them." In Karadzic's opinion, the Slovenian Assembly should send a request for recognition to the Assembly of Yugoslavia and a process should be initiated for resolving matters in dispute—settlement of accounts.

"If we can contribute in any way to pacifying the situation and to a cessation of the war, then it is by initiating a process of recognizing the rights of peoples that have declared that they want to live outside Yugoslavia. In that case," Dr. Karadzic said, "the war no longer makes any sense...."

Nothing Should Be a Secret

Speaking about events in Bosnia-Hercegovina [B-H], Dr. Karadzic first illustrated the situation with the event in Kakanj, where the other day a Serb died in an exchange of fire which cannot be related in any way to the reservists who passed through there. Tension and mistrust still remain. And then he mentioned the "public appeal for negotiations" which was issued today by the Assembly of the Serbian People of B-H.

"We feel," Dr. Karadzic said on that occasion, "that B-H is the republic of three ethnic communities. Such communities exist in Europe, examples are Belgium and Holland. But in their case the relations among the three communities are regulated. Those communities have great independence, their own schools, health service, information, and we see no reason why negotiations should not begin in B-H to regulate the relations of the three communities. Otherwise, we are threatened by the danger that events will control us rather than we control events.

"Political negotiations in B-H are indispensable," Karadzic opined. "There is new evidence every day that the partnership, numerical strength, and power are being abused. There are sufficient grounds to say a reconstruction of the government of B-H has been announced and is motivated by the desire to take power completely over each and every one in this republic.

"In B-H, there is an unexampled struggle for power and control over others, over the other person's destiny and resources. That will not be good for this country," Karadzic said, declaring in connection with the negotiations that have been announced:

"Unless the three ethnic communities begin negotiations next week, both bilaterally and trilaterally, we relieve ourselves of the responsibility for the situation that could ensue."

In the press conference in the headquarters of the Serbian Democratic Party in Sarajevo, Dr. Nikola Koljevic informed the newsmen that yesterday an official invitation was received from Mr. Weynands to representatives of the Assembly of the Serbian People in B-H. Tomorrow there will be a working meeting with Mr. Weynands in Paris. The delegation of the Assembly of the Serbian People includes Momcilo Krajisnik, its president, Prof. Radomir Lukic as a legal expert, and Dr. Nikola Koljevic, whom the assembly designated to represent in the Hague the interests of the Serbian People in B-H.

"Our principal position and the one we wish to make known to Mr. Weynands is our opinion and our will that the Bosnia-Hercegovina question be resolved in Bosnia, not in Paris, the Hague, or any other European capital."

We Will Not Conduct the Policy of the SDA

In answer to a question from the POLITIKA reporter related to Alija Izetbegovic's reelection to the leading position in the Democratic Action Party [SDA] and the possibility that he be reelected president of the B-H Presidency, and concerning the accumulation of offices and relations in the B-H Presidency, Dr. Karadzic and Dr. Koljevic answered as follows:

"As for whether offices can be joined and accumulated, from the beginning we proposed many worthwhile things which have not been adopted," Dr. Karadzic recalled. "It was proposed that the Law on State Administration, in which party and government offices are incompatible, be respected.

"We have been abiding by that law, but whether Mr. Izetbegovic will abide by it, that is his affair," Dr. Karadzic replied.

"As far as we personally are concerned, we are very dissatisfied with the way political life in B-H is going, and especially the way political life is going in the B-H Presidency, and in particular, with the way Mr. Izetbegovic is usurping power and turning into a president of the republic, even though under the Constitution there is no president of the republic. And some of the media are referring to him that way."

Dr. Karadzic added that the SDS will not conduct the personnel policy of the SDA. Their personnel will not be contested without very important reasons.

"It is up to them to say whom they are nominating for the particular office. They should reflect on whether they will respect the law. It is up to us to accept it, although we are not satisfied. This is not a personal matter, some deficiency of Mr. Izetbegovic which would be grounds for us to say: Mr. Izetbegovic does not come into consideration. That is the policy of his party and we will probably not contest his nomination."

The Necessity of Consensus

Dr. Karadzic recalled in this connection that Dr. Biljana Plavsic and Dr. Nikola Koljevic fulfill the conditions for returning to the B-H Presidency, about which Dr. Koljevic spoke. His experience of almost a year indicates that he has concentrated more authority in the B-H Presidency than was the case in the notorious communist forums. This is evident not only in the work of the Presidency, but also in the relation of the Presidency to the Assembly. Dr. Koljevic referred to his own position and that of Dr. Biljana Plavsic in the B-H Presidency as difficult. They have simply been outvoted, for that reason their status is frozen, and tomorrow, unless it is postponed, there will be a meeting to see whether the new operating procedure will be adopted for the Presidency, which Plavsic and Koljevic have stipulated as a condition for their work.

This new operating procedure envisages the necessity of consent and the necessity of consensus. It also insists on public scrutiny of the proceedings of the B-H Presidency.

Exports To Be Controlled by Interior Ministry

92BA0240C Belgrade BORBA in Serbo-Croatian 10 Dec 91 p 8

[Article by M. Lucic: "Exports Under Control of the Ministry of Internal Affairs?"]

[Text] Sarajevo—The government of Bosnia-Hercegovina [B-H] is preparing specific measures in response to the decisions of Serbia to ban exports of foodstuffs and Croatia to ban exports of raw materials and energy. That is, the Decree Prohibiting the Sale of Certain Products has been drafted, and the B-H government will probably carry it along to negotiations in Serbia and Croatia.

This decree states that enterprises, other juridical persons, and independent commercial establishments and individuals are prohibited from selling products or carrying them away from the territory of Bosnia and Hercegovina. The list of products which cannot be sold outside this republic include the following: brown coal, lignite, coke, iron, steel, nonferrous metals, rock salt for food and industry, the principal chemical products, detergents, cosmetics, lumber and building board, pulp and paper, foodstuffs, fresh poultry meat, sugar, oil....

This decree provides that the Economic Chamber of Bosnia-Hercegovina is authorized to make exceptions to the ban for sales of certain quantities of products if the sale does not disrupt the economic and other interests of the republic and if three items are satisfied by that sale. First, the purchase of raw materials and production supplies, especially to maintain the production process; second, the purchase of products for regular supply of consumers in the republic; and third, relieving producers of market surpluses.

It also provides that the competent inspectorates and agencies of the B-H Ministry of Internal Affairs will be responsible for monitoring enforcement of this decree if products prohibited by this decree are sold outside B-H. The penalty varies, so that enterprises must pay a fine of no less than 300,000 and no more than 450,000 dinars for a violation, and independent businessmen no less than 8,000 and no more than 10,000 dinars, and individuals no less than 2,500 and no more than 3,000 dinars, if they take certain products away from the territory of this republic.

It should also be stated that the government of Bosnia-Hercegovina has drafted the decree prohibiting the sale of certain products and, we have learned unofficially, it will very soon be examined and adopted.

Attack on Sarajevo, Digging of Trenches Denied

92BA0241C Sarajevo OSLOBODJENJE in Serbo-Croatian 5 Dec 91 p 8

[Interview with Major General Vojislav Djurdjevac, commander of the Sarajevo Corps, by Am. Kebo; place and date not given: "This Affair Was Fabricated!"]

[Text] Recently, a video cassette was shown in the Stari Grad Opstina Assembly [SO] taken by representatives of the opstina territorial defense staff clearly showing about 15 trenches dug 10 meters long, 6 meters wide, and about 2.5 meters deep, and this in the area of Crepoljski, in the direction of Bukovik. In addition to those trenches, which in this opstina they say were intended for setting up multiple-barrel rocket launchers and that all the positions are facing Sarajevo, infantry breastworks have also been built along with a sea of logs which allegedly could be used to make screens and shelters. "What do the Army authorities say about all this, and what is their comment?" we asked Maj. Gen. Vojislav Djurdjevac, commander of the Sarajevo Corps, who told us:

"Back in August of this year, a small air defense rocket artillery unit conducted exercises in the Crepoljski area. We have been conducting exercises on Crepoljski for 10 years, and so that unit did some engineering work as part of training.

"This is not a unit intended for striking targets on the ground, but exclusively for action against targets in the air. At the time it was in that locality, it established good cooperation with the local population, and to meet its needs it even capped a spring which today is giving the population clean drinking water."

[Kebo] Did you request a permit from Stari Grad SO, because this area is opstina property?

[Djurdjevac] We have never had the slightest problem with the local population, and I am amazed by the fact that more than three months after the unit was in that area an attempt is being made to create some kind of scandal about the alleged preparation of a plan to attack Sarajevo, a city in which Muslims, Serbs, Croats, and other nationalities live together.

Those trenches were dug on prominent elevations specifically to set up radar stations for antiair defense, which can observe targets in positions only from concealed places. But the radars have a range of about 400 km.

[Kebo] Nevertheless, there were also logs alongside every position, and they were used to make a screen.

[Djurdjevac] Those are probably logs belonging to timbering enterprises, and I pay the hauling charges to whoever brings those logs to the garrisons. As for the area being dug up, the Army has never failed to do its duty by everyone, especially its own people, and we will make compensation for the damage. None of the inhabitants has ever come to us to complain.

[Kebo] There have also been disagreements between the Army and Stari Grad SO in the past, such as the passage of military vehicles, the shooting by reservists....

[Djurdjevac] In Stari Grad, they want at all costs to trump up a conflict between the people and the Army. But the men in Stari Grad have stated publicly that they will prevent any passage of military vehicles in this area. They do not have the right to behave like a state within a state, because we have never given any occasion for that in any way. It would be quite proper for them to come to the Corps headquarters and seek an explanation in a proper conversation in good faith, not call a press conference and upset the citizens of Bosnia-Hercegovina. This affair is so trumped up that it simply boggles the mind. And in order to upset the people, they had to invent an attack on Sarajevo. I classify this as a deliberate effort to discredit the Army in Sarajevo at all costs.

Ethnic Conflicts in Eastern Bosnia Described

92BA0241A Belgrade BORBA in Serbo-Croatian 8 Dec 91 p 11

[Article by E. Stitkovac: "An Opstina in an Opstina"]

[Text] Interethnic conflicts and skirmishing at the high political level in Bosnia and Hercegovina [B-H] are child's play compared to what is happening in certain opstinas and local communities. One example of this is Olovo, a little town some 60 km from Sarajevo.

Olovo Opstina has a population of about 17,000: 75 percent Muslim, 18 percent Serb, and 3.9 percent Croat, and "a few others." Political power is divided according to the number of members of the various nationalities, and of the political offices the Serbs are "allotted" the Secretariat for General Administration and the Secretariat for Nationwide Defense, the commander of the police station is also a Serb.

The health service, the schools, and hotels and restaurants are in receivership, certain directors of Serbian nationality have been removed, and "Muslims, that is, members of the SDA [Democratic Action Party], have obtained those jobs by order of the new government." Some of the directors have said publicly, at least that is what is said, that they will defend their positions even with arms if necessary. This is where the snowball begins to roll, and it seems that it will grow large unless reason prevails.

According to Taib Gogic, opstina president, the Serbs have held those posts for more than 40 years, and "now it is our turn, and they also did a very poor job. The director of the school center has been on sick leave for eight years and he came to work only to say that no one could remove him." The other side, the Serbian side, says that these people were removed because they are Serbs and "because the Muslims want to seize everything, when it was our grandfathers and fathers who built this region."

Thus, completely opposed opinions and facts are lined up. The opstina president says that he will not carry out the decisions of the SSNO [Federal Secretariat for National Defense], but only of the government of B-H, so that there has been no recruiting, no mobilization, no military exercises, and so on. On the other side, Milovan Zugic, president of the newly established Serbian Assembly of Olovo Opstina and a well-known businessman, says that all the Serbs in this region are volunteers of the JNA [Yugoslav People's Army] and that they will take up arms if their rights are threatened: "And we will get those rifles from the Army, because we are all good soldiers. There is no Serb in this region who has not signed up as a volunteer, nor a single Muslim in the Army," Zugic says. They all say that at night there is shooting from all kinds of weapons. The Muslims say that there is shooting in the Serbian places, and the other way about.

The great split between the nationalities occurred after 18 November, when the Assembly of the Serbian People of Olovo Opstina was established, an event that took place in the Forest Castle restaurant, whose owner became its president. This aggravated interethnic relations, at least so it seems, more among leaders than the people. Incidentally, there has been no physical exchange of violence between citizens, at least up to now.

One of the first steps to give practical life to the Serbian Assembly of Olovo Opstina was that the Serbs stopped paying taxes. However, they were not the only ones to do this, because the Muslims did so as well. Thus, the two nationalities united without "brotherhood and unity." One of the Muslims literally said: "This thing with taxes was smart on their part. They are not so bad as it sometimes seems, it is just that they are egged on from above, just as ours do us. But they won't succeed."

Opstina President Gogic says that the Serbs set the example for the Muslims and that the nonpayment of taxes will have grave consequences. Formation of the "Serbian opstina" is a dangerous experiment which could cause violent interethnic conflicts. He says that he will raise the entire case to a higher level and seek help from the government. According to his assessment, for the moment there are still no very visible signs that the situation is passing over into anarchy, but that is very possible. Up to now, this is the most problematical situation in this region, and according to the assessments of many reputable citizens, if things should break out here—it would be difficult to halt a broader conflict in a sizable portion of eastern Bosnia.

The representatives of the "Serbian opstina" are asking for 20 percent of space in the opstina assembly or in the culture center, as well as separate inventories and bookkeeping. According to Gogic, this is unfeasible, but the president of the "Serbian opstina" simplifies this to the extreme:

"We will open our own giro account, we will establish a special-interest community for housing, and form all the agencies which an opstina assembly has. We will not touch the institutions financed by the republic, such as the schools, police, and health care. It is all very simple: If, for example, an optional local contribution is being paid by a worker who is a Serb, he would pay that into the giro account of his Serbian opstina. In any case, the entire budget will be distributed according to the number of employees, that is, according to the number of able-bodied people. As for enterprises, they have grabbed up everything, and it turns out that we will have to take it back. After all, the government here is treating us like an enemy, as though they are giving us something. We are not seeking anything except to get our 20-25 percent in all segments," Zugic says.

Speaking about the extremists in the SDS [Serbian Democratic Party], Gogic says that in this region that party is "conducting a policy of ultimatums, there is no flexibility, tolerance, or elasticity whatsoever, and the purpose of establishing the Serbian opstina was to cause interethnic conflicts."

Thus, the two parties are mercilessly exchanging charges, and the few Croats are making themselves scarce. Zugic says: "They do not interfere in anything, nor do we give them anything. That is the way the cookie crumbles." The way it all adds up, it seems that the opstina situation in Olovo completely suits its name ["olovo" means "lead"].

Montenegro

Monarchist Democratic Council Formed in Cetinje

LD2612220491 Belgrade TANJUG Domestic Service in Serbo-Croatian 1958 GMT 26 Dec 91

[Text] Cetinje, 26 Dec (TANJUG)—A founding assembly was held in Cetinje this evening of the Montenegrin Democratic Council (CDV), which calls for the full independence and international subjectivity of Montenegro and a parliamentary monarchy headed by the Petrovic-Njegos dynasty.

This new political movement advocates the complete equality of all citizens, a market economy, and a rapid conclusion of the war, which it sees as "senseless and morally unjustified". In the view of the CDV, Montenegro should remain within its present borders, which will be guarded by a professional Montenegrin army.

Macedonia

Gligorov Cited on Talks With Serbia's Milosevic

LD2812172391 Belgrade TANJUG in English 1635 GMT 28 Dec 91

[Text] Skopje, Dec 28 (TANJUG)—President of the Republic of Macedonia Kiro Gligorov stated today that during the talks in Ohrid on Friday [27 December] with President Slobodan Milosevic of Serbia and with leadership of this republic, the threats of "a southern front" being opened in Yugoslavia were removed.

This was stated with reference to a plan of Albanian secessionists in the Serbian province of Kosovo-Metohija and in part of western Macedonia to open "a southern front" in case their demands for creating a republic of Kosovo were turned down.

Ethnic Albanians' political parties demand that the Albanian minority should obtain the status of nation and the right to form their own state in the said parts of Yugoslavia's territory, not concealing that their ultimate goal is secession from Yugoslavia and later unification with neighbouring Albania.

President Gligorov told Macedonian radio that his talks with Serbia's leadership were "very useful and open" and added that they were unfolding "without any pressures."

Gligorov said that one of the points raised at the talks dealt with the creation of Yugoslavia's "mini federation," but Macedonia had reiterated its demand for its own independent state.

Those for a mini federation are Serbia and Montenegro, the republics which are not favouring secession from Yugoslavia.

Gligorov pointed out that Macedonia could in no way bring its neighbours in jeopardy, having no army of its own as well as pursuing its policy of nurturing good-neighbour relations.

As for Greece's demand for Macedonia to change its name in order to gain international recognition, Gligorov said this was "an irrational demand" which "Macedonia will never accept."

Bulgaria's stand to recognize the Macedonian state but not the Macedonian nation was assessed by Gligorov as irrelevant in terms of international relations, but revealing Bulgaria's "guilt conscience" due to past events.

Gligorov Sends Letters Requesting Recognition

AU2512190391 Skopje Radio Macedonia Network in Macedonian 2100 GMT 24 Dec 91

[Text] In its announcement issued today, the Ministry for Relations With Foreign Countries of the Republic of Macedonia says that a letter from Kiro Gligorov, president of the Republic of Macedonia, concerning the international recognition of the republic, accompanied by a letter by Denko Malevski, minister for relations with foreign countries, was sent and submitted, and its reception in all foreign embassies in Belgrade was confirmed with official signatures.

The Ministry for Relations With Foreign Countries has already received letters of foreign ambassadors expressing thanks and informing that President Gligorov's letter had been sent to those it was meant for in the respective countries.

The treatment of President Gligorov's letter and the way it was sent has recently been the cause of untrue and malicious commentaries in the times when Macedonia is carrying out an intensive international political activity about its recognition, something which the Ministry for Relations With Foreign Countries considers harmful to the interests of the republic.

Kljusev Expects Recognition Next Year

LD2712160491 Belgrade TANJUG in English 1338 GMT 27 Dec 91

[Text] Skopje, Dec 27 (TANJUG)—Macedonian Prime Minister Nikola Kljusev said today that the majority of Macedonians expect that the republic would gain international recognition next year.

The recognition would open new markets, Kljusev said at a press conference and added that Macedonia would urge the preservation of ties with all those who wish it, primarily those with whom it had lived in the Yugoslav space.

Listing the successes of his government in the past nine months, Kljusev said that Macedonia had not taken any credits in the period and that it had even succeeded in attracting foreign investors despite the war in Yugoslavia.

Tupurkovski 'Optimistic' About EC Recognition

AU2412152891 Vienna DIE PRESSE in German 24 Dec 91 p 4

[Interview with Vasil Tupurkovski, Macedonia's representative in the Yugoslav State Presidency, by Roland Hofwiler in Belgrade; date not given: "'We Have Discarded the Idea of a Nation State'"]

[Text] Vasil Tupurkovski continues to be Macedonia's representative in the Yugoslav State Presidency, whose eight members—under the current Constitution at least theoretically— still exercise the supreme state function, the "collective presidency." Croatia's representative Stipe Mesic no longer fulfills his function as the head of state, and neither does Tupurkovski, who was considered to be the actual foreign minister of Yugoslavia since the beginning of the process of disintegration of the multi-nation state, and arranged the first peace negotiations with the EC on the island of Brioni in the Adriatic Sea in July.

[Hofwiler] Even you have given up the dream of a Yugoslav federation of states and are now pinning your hopes on an independent Macedonian state. Yet the mere name "Macedonia" is causing mixed feelings in Europe....

[Tupurkovski] I see that completely differently. The majority of the EC states have declared that they will recognize a new Macedonian state on the Balkans.

[Hofwiler] That does not seem to be so certain. In the EC resolution of 16 December, all republics of Yugoslavia were invited to submit an application to the EC by 23 December in case they wanted to be recognized as new states. In connection with your republic the resolution reads that the "use of a name that might result from territorial claims" must be ruled out. This refers to Macedonia, a name that appears twice on the map of Europe. The north of Greece has been called Macedonia since ancient times, and now you are planning to establish even a Macedonian state?

[Tupurkovski] Greece has indeed urged us to adopt another name for our state. However, I can assure you that Macedonia will not give itself another name. Besides, apart from Greece nobody in Europe has demanded it. Even if Athens denies the existence of Macedonian people, we do exist. I myself was present at the negotiations in Brussels where I could hear from all European diplomats that they will recognize Macedonia

as a new state, because it fulfills all the conditions for a new state. We have signed all European and international conventions and in our Constitution we declare the inviolability of the existing borders. I am optimistic that we will be recognized along with Croatia and Slovenia.

[Hofwiler] As far as Croatia and Slovenia are concerned there is little doubt, although even these two will not be recognized by all states. Macedonia has not yet been mentioned in this connection.

[Tupurkovski] Maybe the press ignores Macedonia, although on an international level we have long since become accepted. In September we declared our sovereignty, and in November we adopted a new national Constitution, which was internationally welcomed. Our neighbors Bulgaria and Albania even consider the emergence of a Macedonian state to be a guarantee for peace in the region.

[Hofwiler] While Greece and Serbia consider it to be a threat....

[Tupurkovski] We will dispel these fears through diplomatic negotiations.

[Hofwiler] Will you even solve the internal political problems in your republic? It is no secret that the representatives of the Albanian minority in Parliament voted against the new Constitution, because with a more than 25-percent share of the population they are not mentioned in the Constitution as a people that is an integral part of the state.

[Tupurkovski] Our Constitution says that Macedonia is a republic of its citizens. Unlike Zagreb and Ljubljana, we never speak of a nation state of the Macedonians. This way we have tried to discard the idea of a nation state from the very beginning.

In many points our Constitution is a copy of Western constitutions and international conventions on issues related to human and minority rights. I think that we are granting our minorities—the Albanians, Roma, and Serbs—rights that are in line with latest European standards. The Macedonian minorities in Greece and Bulgaria cannot say that. Nevertheless, I am optimistic that in the process of creating a joint European home, even the Macedonians and the Greek will get closer to each other. Actually, there is no other possibility; we Macedonians are pinning our hopes on Europe.

Parliament To Implement EC Constitutional Changes

LD2712000191 Belgrade TANJUG in English 2236 GMT 26 Dec 91

[Text] Skopje, December 26 (TANJUG)—The parliament of the Yugoslav Republic of Macedonia today decided to change the republican Constitution, adopted a month ago, in keeping with the demands of the European Community.

The Macedonian Government, which proposed the introduction of constitutional changes, explained it was necessary to offer additional guarantees which are, according to the EC, necessary for the international recognition of sovereignty of this Yugoslav republic.

Macedonia is one of the four republics which requested to be recognized by the European Community Presidency in The Hague.

The parliament adopted the text of the draft constitutional amendments, which are to be on public debate until January 5.

The amendments constitutionally and legally reaffirm Macedonia's stand that it has no territorial claims towards neighbouring states.

Greece believes that Macedonia does not meet all EC conditions for recognition since its very name "automatically means it has territorial claims."

The constitutional amendments are to offer guarantees that Macedonia will not interfere in the sovereign rights of other states and their internal affairs.

Assembly Accepts Resignations of Officials

92BA0230B Belgrade BORBA in Serbo-Croatian 7-8 Dec p 6

[Article by D. Nikolic: "The Assembly of Macedonia Accepted the Resignations of High Officials of the Republic: Geogrievski in the Service of a Neighbor"]

[Text] Ljupco Geogrievski: Slovenia had only six victims, and has already achieved independence, while Macedonia, with far more dead, is still far from independence. Kiro Gligorov: Geogrievski is a captive of an organization that is working for Macedonia to become the province of another state.

Skoplje—The night before last, shortly before midnight, the Macedonian parliament accepted the resignations of Dr. Dimitar Dimitrov from the post of minister for education in the Macedonian government, Ljupco Geogrievski from the post of vice president of the republic and Drago Arsov from the post of vice president of the Assembly.

Dimitar Dimitrov said by way of explanation that he was submitting his resignation because the Macedonian parliament passed, in an illegal manner, the Law on Bilingual Pedagogical Materials in schools with Albanian as the language of instruction, as well as because the Macedonian government is dependent on the president of the republic to a degree greater than that permitted by a parliamentary democracy. Ljupco Geogrievski made a similar statement, adding that the formation of an expert and not a party government was done so that the president of the republic could manipulate it.

Geogrievski said that Macedonia is participating in the Serbo-Croatian war on the side of Serbia with 20,000 troops and that there have already been 40 killed.

Slovenia had only six victims, and it has already achieved independence, while Macedonia, with far more dead, is still very far from independence. Geogrievski accused Gligorov of working too long to save Yugoslavia, the prison of the Macedonian people, so that Macedonia is now running out of time and is forced to take quick action with the aim of being registered on the list for recognition with other republics.

In the discussion that took place afterwards, Dr. Blaze Ristovski, vice president of the Macedonian government, refuted Geogrievski, saying that Macedonia now has no more than 5,000 troops in the JNA [Yugoslav People's Army], and Dr. Nikola Kljusev, the Macedonian prime minister, said it is fortunate for Macedonia that it does not have a party government, because single-mindedness would prevail in the republic, and Macedonia would be at war.

President of the republic Kiro Gligorov expressed regret that he heard of the resignation of his vice president over the radio, saying that the resignation was submitted at the time of the enactment of the new Constitution and that harm was done to Macedonia thereby. Gligorov said that the policy of Macedonia cannot be established outside Macedonia, and "outside organizations" can build Macedonian policy still less, especially those that are in the service of other states that are anti-Macedonian. Gligorov said that Geogrievski is a captive of such an organization, which is working for Macedonia to become the province of another state. Macedonia is not on the front pages of newspapers throughout the world, because it does not have its Vukovar or Dubrovnik, but it has a policy that is spoken about throughout the world with respect. Gligorov also added that Macedonia has paid the lowest price in the current Yugoslav crisis, and that it will be recognized, but that it would not participate in any adventurism.

Albanians Seek Referendum on Autonomy

LD2912131391 Belgrade TANJUG Domestic Service in Serbo-Croatian 1229 GMT 29 Dec 91

[Text] Skopje, 29 Dec (TANJUG)—The Tetovo based "Assembly of political and territorial autonomy of Albanians in Macedonia" told some Macedonian media last night that this organization has decided to call a referendum for the autonomy of Albanians in this republic. The referendum should be held 11-12 January, according to the organization. Citizens—ethnic Albanians and others—will be asked to reply to a question: "Are you in favor of the political and territorial autonomy of Albanians in Macedonia?"

Government Calls For Republic's Own News Agency

LD2512050591 Belgrade TANJUG in English 1508 GMT 24 Dec 91

[Text] Skopje, Dec 24 (TANJUG)—The government of the Yugoslav Republic of Macedonia has prepared a bill calling for the founding of the MACEDONIAN NEWS AGENCY MIA, as the republican Information Ministry announced today.

The chief task of the MACEDONIAN NEWS AGENCY MIA will be an objective, comprehensive and timely coverage of the developments in Macedonia, as the Ministry statement specified.

The MACEDONIAN NEWS AGENCY MIA is to ensure, together with the other republican media, a broader and more affirmative presentation of Macedonia in the world, as the statement set out.